EXPENDITURE BUDGET
2011-2012

Volume IV
MESSAGE FROM THE CHAIR
OF THE CONSEIL DU TRÉSOR
AND ADDITIONAL INFORMATION

Québec

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2011-2012

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Expenditure Budget 2011-2012
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and Additional Information

Legal Deposit - March 2011
ISSN 0706-0319
ISBN 978-2-551-25083-7 (Print Version)
ISBN 978-2-550-61331-2 (Online)
Bibliothèque et Archives nationales du Québec

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MESSAGE FROM THE CHAIR OF THE CONSEIL DU TRÉSOR

MESSAGE FROM THE CHAIR OF THE CONSEIL DU TRÉSOR

INTRODUCTION

The 2011-2012 Expenditure Budget follows the direction of the Plan to Restore Fiscal Balance, which focuses on reducing and controlling government expenditures. The Plan calls for tight controls over expenditures through 2013-2014. It will force us to act responsibly, advisedly and in a disciplined way against a backdrop where public finances have become fragile as a result of the recession. We will need to make prudent choices as to how we allocate our budget expenditures, while making sure the level of public services remains high.

The government's approach has been stated clearly: the government itself will have to make close to two thirds of the efforts to restore fiscal balance. This calls for a new thrust toward a culture of expenditure controls throughout the public service. In March 2010 we made public a concrete plan designed to meet our targets by 2013-2014: the 2010-2014 Action Plan to Reduce and Control Expenditures and concrete measures were announced in November 2010.

That means that the government is working hard to restore efficiency and review all its programs. The 2010-2011 Budget contained several measures for doing this. The work has continued with my colleagues and choices have been made, precise targets for reducing expenditures have been set, and we are starting to see results. These targets are an integral part of the 2011-2012 budget envelopes allocated to the departments and agencies.

The government is taking a disciplined approach to management of public expenditures. By systematically implementing its 2010-2014 Action Plan to Reduce and Control Expenditures, we will reach our goal of wiping out the deficit by 2013-2014, without any loss of quality in public services.

THE OBJECTIVE OF REDUCING THE GROWTH OF EXPENDITURES HAS BEEN MET

1. EXPENDITURE GROWTH WAS LIMITED TO 2.4% IN 2010-2011

Program spending was $59,819 million in 2010-2011, an increase of 2.4% over the previous fiscal year. Expenditure growth was much lower than the structural growth recorded in previous years.

This significant reduction in the pace of expenditure growth in 2010-2011 was largely due to the measures we instituted under the 2010-2014 Action Plan to Reduce and Control Expenditures.

Québec is one of the provinces that exercise the best control over expenditure growth. Based on the consolidated expenditures, the average growth of expenditures in Québec between 2003-2004 and 2010-2011 was 5.1% compared to 7.0% for the rest of Canada. Québec is in second place, in this situation, right behind British Columbia.

The discipline shown by departments and agencies, particularly in reducing administration costs, has allowed us to meet the goals we set for 2010-2011. We were even able to assume additional costs of $405 million in relation to pay equity and negotiations with operators of home day care services.

2. THE OBJECTIVE OF A 2.4% INCREASE IN EXPENDITURES 2011-2012

The government intends to put just as much rigour and discipline into following its action plan in the coming year.

The objective for 2011-2012 will be to maintain a growth of only 2.4% in expenditures. That will mean an increase of $1,465 million over 2010-2011. Program spending should reach $61,284 million.

Priority to Health, Education and Family

In 2011-2012, the government will continue to invest in its priorities – health, education and the family – while maintaining a tight grip on expenditures.

Program Spending in 2011-2012
(millions of dollars)

	Budget	Percentage of the budget	Growth	Percentage of growth	Percentage of growth compared to 2010-2011
Santé et Services sociaux	29,140.5	47.5	1,024.9	70.0	3.6
Éducation, Loisir et Sport	15,541.1	25.4	328.0	22.4	2.2
Famille et Aînés	2,386.9	3.9	137.1	9.4	6.1
Other Portfolios	14,215.5	23.2	(25.0)	(1.8)	(0.2)
TOTAL	**61,284.0**	**100.0**	**1,465.0**	**100.0**	**2.4**

- ***A 3.6% increase in the budget for health and social services***

The budget for the Ministère de la Santé et des Services sociaux will be $29,140.5 million in 2011-2012. This sector has been allocated a growth of 3.6%, or $1,024.9 million, which will go in particular to funding the costs of agreements already concluded – or to be concluded after negotiations , as well as for medical services and system costs of the health and social services network.

To these budget appropriations is the additional funding from the Fund to Finance Health and Social Services Institutions allocated specifically to activities designed to improve the performance of the health system.

This Fund was used to finance expenditures of $180 million this year. Looking ahead, the Fund will contribute $575 million in 2011-2012, $995 million in 2012-2013 and $1,445 million in 2013-2014.

Taking the contribution from the Fund into account, the health budget will have a growth rate of 5.0% in 2011-2012.

Reinvestments of close to $11.3 billion have been approved in the health and social services sector since 2003-2004, which represents an average annual growth rate of 5.6% in program spending.

- ***A 2.2% increase in the education budget***

The budget of the Ministère de l'Éducation, du Loisir et du Sport will rise by 2.2% or $328.0 million in 2011-2012, and will reach $15,541.1 million.

This budget will be used to continue implementing the Action Strategy on Student Retention and Student Success, improve the fit between technical training and the needs of the labour market, and fund the salary agreements concluded with employees of the network and the increased system costs of the network.

Additional budgets of nearly $4.4 billion dedicated to education since 2003-2004, with an average annual growth of 3.7%, demonstrate the priority that the government puts on young people doing well in school, since they are the guarantee of our future.

- ***A 6.1% increase in the budget for families***

The budget of the Ministère de la Famille et des Aînés will increase by $137.1 million, or 6.1%, and will reach $2,386.9 million in 2011-2012. It will go to funding new childcare spaces that will be have to be created in order to reach the target of 220,000 places by the end of 2011-2012. It will also go to funding the costs of agreements with the operators of home day care services.

- ***A reduction of 0.2% in the budgets of the other portfolios***

Overall, the expenditure budgets of the other departments will go down by $25.0 million, or 0.2%. This reduction will mainly be due to the impact of savings measures set out in the 2010-2014 Action Plan to Reduce and Control Expenditures.

Despite this reduction, however, our underlying concern in drawing up the budgets of the other portfolios was to maintain the high quality of public services.

IMPLEMENTATION OF THE ACTION PLAN TO REDUCE AND CONTROL EXPENDITURES IS WELL ON ITS WAY AND WILL ACHIEVE THE DESIRED RESULTS

Under the Plan to Restore Fiscal Balance, in 2010-2011 the government set out or implemented a series of well thought out and necessary actions and measures to reduce the growth of expenditures.

When the Budget was tabled in March 2010, the government undertook to assume 62% of the efforts to restore budget balance, of which $5.2 billion was to come from reducing the growth of expenditures by the departments and agencies, $530 million from applications of measures to reduce expenditures in all government administrative bodies, and $1.2 billion from the campaign against tax evasion.

Everything was planned around the government assuming its part of the bargain and gradually implementing the measures required to restore budget balance. However, it is imperative that the quality of public services not be jeopardized by this recovery attempt. On the contrary, we believe that by exercising better control over expenditures and making well-reasoned choices we can actually improve our services while meeting our expenditure reduction goals.

Reduction in program spending of departments and agencies

The government's effort to rationalize and reduce expenditures by $5.2 billion by 2013-2014 has three main thrusts:

- *Reducing the costs of public administration;*
- *Reviewing program parameters;*
- *Disciplined budgeting.*

Already the result we have achieved – nearly a $1.4-billion budget effort in 2010-2011 – is better than the anticipated $972-million reduction in the 2010-2011 Budget. These results allow for additional expenditures of $405 million associated in particular with pay equity and negotiations with operators of home day care services. We should have no problem reaching our goal for reducing expenditures through 2013-2014.

Breakdown of the Reduction of Program Spending of Departments and Agencies
(millions of dollars)

	2010-2011 Result	2013-2014 Target
Reduction of costs of public administration	*614*	*2,552*
Review of programs	*4*	*992*
Budgetary discipline	*759*	*1,660*
TOTAL	***1,377***	***5,204***
Expected result	***972***	***5,204***

- ***Measures to reduce the costs of public administration: savings of $2.5 billion***

The government has taken many actions to reduce the overall costs of public administration. Overall savings of $614 million were realized in 2010-2011 concerning cost reduction in the public administration, contributing thus to a reduction in expenditure growth. At this rate, the objective of $2.5 billion in 2013-2014 will be reached.

— ***Payroll growth has been significantly reduced***

The government successfully concluded an agreement with the Front commun syndical which is compatible with the expenditure growth targets the government defined in its Plan to Restore Fiscal Balance. We should point out the significant effort made by our employees, which makes them true partners in the recovery and our return to budget balance.

In addition, public service payrolls have been frozen at their 2010-2011 levels through 2013-2014. We are continuing to only replace an average of one retiree out of two. This rule has been extended to the administrative staff of the health and social services and education networks, including executives.

The government's salary offer has been extended to ministers' personal staff and all executive and managers in the departments and public bodies[1].

Performance bonuses scheduled for government executives in 2010-2011 and 2011-2012 have also been suspended. This suspension applies to all management staff in departments and agencies, including the health and social services network, the education networks, universities and the Société de l'assurance automobile du Québec. Government corporations have been asked to make comparable efforts.

— ***Administrative operating expenditures will be reduced by 10% by 2013-2014***

This reduction applies to expenditures that are not essential to the delivery of direct services to the public. Among them, expenditures for advertising, training and travel have been reduced 25% as of 2010-2011.

— ***Statutory, regulatory and administrative measures have been taken***

On December 8, 2010, the government tabled a Politique-cadre sur la gouvernance et la gestion des ressources informationnelles des organismes publics, together with a draft bill on the subject. The new governance and management rules will entail a significant tightening up of information resource planning and of mechanisms for approvals and authorizations, follow-ups and accounting.

[1] *Some provisions of the Act to implement certain provisions of the Budget Speech of 30 March 2010, reduce the debt and return to a balanced budget in 2013-2014 (2010, c. 20) will be revised in order to take into account the agreement in principle reached with the Front commun syndical on June 25, 2010.*

By way of example, approvals for projects of $5 million and over will now require three steps: an justification case, a strategic presentation case and a business case in order to obtain an assessment and responsibly manage risks.

By following these steps, the government will be able to define the needs, weigh the best possible solutions, forecast project costs with greater certainty and consider the timeframe for different deliverables. Any cost overruns greater than 10% will require authorizations, and public bodies will have to draw up three-year plans and annual project programming.

— ***Projects to redesign government spaces and offices will be reduced to a minimum***

A work group has been set up with the Société immobilière du Québec, which manages these spaces, in order to assure the implementation of this measure beginning in the 2011-2012 fiscal year.

- ***Revision of parameters of departmental programs: close to $1,0 billion in savings***

Several departments have taken concrete action to improve their performance. Their initiatives are based on systematic assessment of the delivery of programs and administrative efficiency.

— *The parameters of some government intervention programs will be revised so that services can be delivered at lower cost. Assistance for businesses is included in the programs that will be examined.*

— *In an attempt to provide one-stop shopping for individuals and businesses, the departments have started to draw up scenarios whereby they combine programs and assistance with similar or related objectives, and deliver them via single entities for municipalities or regional organizations (not affecting neighbourhood services), training, job integration, francization of immigrants or support for events.*

— *The government's Prescription Drug Policy, adopted in 2007, stipulates notably that Québec must be charged the lowest prices provided by all provincial drug insurance regimes in Canada for generic drugs sold in Québec.*

Through agreements with the pharmaceutical industry, this goal will be achieved gradually through until 2012, at which time Québec will pay 25% of the price of patented drugs for generic drugs.

— *Measures will be implemented to improve the performance of the institutions of the health and social services and education networks.*

Assessments are underway for both networks so that we can judge the extent to which existing structures and processes can be improved or unburdened for greater efficiency, particularly by reducing duplications, bureaucracy and administrative delays and by pooling services.

- ***A new impetus toward our culture of budgetary discipline: a $1.7 billion reduction in budget growth***

Expenditures grew at the rate of 2.4% in 2010-2011, which is much lower compared to the average growth rate in previous years. The overall budget effort of the departments and agencies is therefore nearly $1.4 billion in 2010-2011.

Almost half of this reduction in expenditure growth is attributable to the rationalization of the costs of the public administration resulting notably from the reduction of administrative operating expenditures, freezing other operating expenditures and payroll of the departments and agencies, and finally adjusting payroll growth to the government's budgetary capacity.

The rest is the result of well-ordered budgetary discipline of the departments and agencies in order to respect their overall budget envelopes while assuming additional costs of $405 million associated particularly with the impact of pay equity and the negotiations with operators of home day care services.

In addition, in 2011-2012 the government will reduce the budgets for funding new programs or new initiatives. Compared to the average level of budgets allocated for such purposes between 2003-2004 and 2009-2010, this approach will lead to a $950-million reduction of expenditure growth in 2013-2014.

The goal of reducing expenditure growth by $1.7 billion in 2013-2014 should thus be met.

The application of measures to all government administrative bodies

When it adopted the Act to implement certain provisions of the Budget Speech of 30 March 2010, reduce the debt and return to a balanced budget in 2013-2014 on June 12, 2010, the government expected all organizations of the government apparatus to make efforts to reduce expenditures and increase productivity.

That law obliges the organizations affected by it to reduce their administrative operating expenditures by 10% and submit to the government or to the Minister responsible for them (in the case of the health and social services and education networks) policies detailing the approach they have selected to comply with the Act with regard to reducing expenditures. The government has also decided to extend the application of several provisions of the Act to all special funds.

As prescribed by the law, the extrabudgetary agencies and special funds have sent the government their policies that include measures for reducing operating expenditures. In the 2010-2011 Budget, the organizations were set a goal of saving $80 million by 2013-2014, of which $30 million has already been saved in 2010-2011.

The reduction of expenditures that the law imposes on entities of the education network and the health and social services network is taken into account in measures aimed at reducing the costs of public administration. These entities have savings estimated at $40 million in 2010-2011.

The government has also set expenditure reduction targets of $350 million by 2013-2014 for government corporations. We can be confident that those targets will be met, since government corporations have already reduced their expenditures by $52 million in 2010-2011, which is $17 million better than initially forecast.

The fight against tax evasion

The fight against tax evasion and tax avoidance is an essential requirement for balance in public finances. Everyone has to do his or her part, and income owed to the government must be collected fairly. According to the Plan to Restore Fiscal Balance, the government expects to realize $1.2 billion from additional efforts to fight tax evasion and tax avoidance in 2013-2014.

A first crucial step was taken with the adoption of the law creating the Agence du revenu du Québec that will take effect on April 1, 2011, replacing the Ministère du Revenu. The law gives the Agence du revenu du Québec the powers and the leeway necessary to assume greater control over taxes and make use of new online services which will help individuals and businesses meet their self-assessment obligations.

A HISTORIC AGREEMENT FOR FAIR AND RESPONSIBLE REMUNERATION

Remuneration in the public and paragovernmental sectors is a crucial element for controlling expenditures. In 2011-2012, remuneration alone will account for just over 56% of government program spending. If we are to restore fiscal balance, we will have to control remuneration, but we have to keep it at levels that are fair.

A historic agreement in principle on salaries and benefits was reached with the Front commun syndical on June 25, 2010. It is a 5-year agreement and includes an economic growth clause that protects public finances. This agreement complies with the budget parameters that the government set itself in its Plan to Restore Fiscal Balance and it also respects the taxpayers' ability to pay.

The agreement provides for salary increases of 6% that can go as high as 10.5% depending on inflation and economic growth. This is an innovative type of agreement, because it will allow government employees to benefit from economic growth if it happens, and it will protect Québec taxpayers if economic growth does not happen.

THE LARGEST PUBLIC INFRASTRUCTURE DEVELOPMENT IN QUÉBEC'S HISTORY

The Québec Infrastructures Plan (QIP) will lead to the largest public infrastructure development in Québec's history. Not only do these investments support the vigour of our economy, but in the medium and long term they will leave Québec a legacy of more functional hospitals using cutting-edge technology, world-class university hospitals, more welcoming schools that promote academic success, roads in better condition and reliable public transportation systems that lead to a reduction in greenhouse gas emissions. These are all essential elements of a modern, efficient and wealth-creating society.

The QIP 2010-2015 will entail investments of $44.6 billion, including major investments for the Northern Plan, particularly concerning the road system and social housing. The growth for 2010-2015 QIP investments is, therefore, set at 4.5%, a level which is compatible with the forecast economic growth for that period.

The 2010-2015 QIP confirms our commitment to supporting economic recovery. Not including investments of $4.7 billion for completing projects started before the first QIP in 2007-2010, 72% of forecast investments will be devoted to maintaining our infrastructure in good shape and eliminating the maintenance deficit.

Starting this year, work will be done to update management frameworks for asset maintenance investments and to estimate the amount of the cumulative maintenance deficit, taking significant investments of recent years into account. Investments for new initiatives will also be limited to projects that cannot be postponed.

The Gouvernement du Québec has also received an extension from the federal government of the deadline for several of its infrastructure programs beyond March 31, 2011, to be able to count on federal funding of $300 million for over 600 projects. These are programs that will continue to support the Québec economy and provide us with a more profitable recovery.

CONCLUSION

The 2011-2012 Expenditure Budget follows the direction of the Plan to Restore Fiscal Balance in 2013-2014. It provides for even greater control over the government's program spending and the expenditures of public bodies. It is based on well-considered and prudent choices that will allow the government to continue providing public services and programs despite the fragile economic situation.

We are consolidating services in the health and social services network with reinvestments of $11.3 billion since 2003-2004 and in the education networks with reinvestments of close to $4.4 billion since 2003-2004. Additional budgets in 2011-2012 will cover the system costs of both networks. Services and commitments will also be maintained in the other departments.

Returning to a balanced budget is a prime objective. The growth of program spending in 2010-2011 has been controlled to a rate that is compatible with the government's ability to pay, while at the same time maintaining the quality of public services. My colleagues have joined me in setting up an array of control measures that are already producing results.

We are obliging all public bodies to join the efforts to rationalize and reduce expenditures and revise government structures; by doing so we have created winning conditions that will allow us to reduce our debt in a sustainable way and restore budget balance.

MICHELLE COURCHESNE

ADDITIONAL INFORMATION

IN BRIEF

CHAPTER 1
THE PLAN TO RESTORE FISCAL BALANCE

In the 2010-2011 budget, the Plan to Restore Fiscal Balance set the effort to restore fiscal balance at $12.3 billion by 2013-2014.

The government effort amounts to $6.9 billion. It is equivalent to 62% of the identified effort and breaks down as follows:

- $5.2 billion by reducing the growth of the expenditures of the departments and agencies;
- $530 million attributable to control of expenditures in the other public bodies;
- $1.2 billion from countering tax evasion and tax avoidance.

In 2010-2011, all of the actions to be taken to fulfill the government's commitment were identified. Several measures allowing reduction of the growth of expenditures were announced in the 2010-2014 Action Plan to Reduce and Control Expenditures and in the Act to implement certain provisions of the Budget Speech of 30 March 2010, reduce the debt and return to a balanced budget in 2013-2014 (2010, c. 20). Additional measures were identified during the year to achieve the $5.2-billion objective.

The efforts achieved by the departments and agencies amounted to a $1,377.0 million in 2010-2011, $405.0 million more than the forecast target. These results essentially were achieved by:

- Parameters to limit payroll growth, including freezing the payroll of the departments and budget-funded agencies;
- A 10% reduction of administrative operating expenditures by 2013-2014;
- Budgetary discipline achieved by the departments to limit expenditures by 2.4% in 2010-2011.

1. THE PLAN TO RESTORE FISCAL BALANCE: REDUCTION IN PROGRAM SPENDING OF THE DEPARTMENTS AND AGENCIES

The Plan to Restore Fiscal Balance by 2013-2014 includes measures ultimately allowing a $5.2-billion reduction of program spending of the departments and agencies and thus reducing the growth of expenditures. These measures are grouped under three main lines:

- Reduction of public administration costs ($2.5 billion);
- Review of program parameters ($1.0 billion);
- Strict budgetary discipline ($1.7 billion).

Some of these measures were implemented in 2010-2011 and have already made it possible to achieve substantial savings, as illustrated in the following table. The expenditure reduction efforts achieved by the departments and agencies amounts to $1,377.0 million in 2010-2011, $405.0 million more than the forecast target.

Reduction of Program Spending of the Departments and Agencies
(millions of dollars)

	Savings 2010-2011	Savings 2013-2014
Reduction of public administration costs		
Parameters to limit salary growth, including a payroll freeze on departments and budget-funded agencies	530	1,639
10% reduction in administrative operating expenditures, including a 25% reduction in advertising, training and travel expenditures in fiscal year 2010-2011	78	322
Strict control of information technology projects	-	200
Rationalization of administrative services and other measures		
• Healt optimization plan: Rationalization of administrative services	-	270
• Reduction of development projects for government offices and spaces	-	30
• Other	6	91
	614	2,552
Review of program parameters		
Assistance to businesses	-	298
Reimbursement of generic drug prices	-	190
Consolidation of programs – *Single point of contact* approach[1]	-	60
Improvement of performance of the programs in the departments and in the health and social services and education networks		
• Health optimization plan: Improvement of program performance	-	270
• Other	4	174
	4	992
Budgetary discipline		
Budget growth limited to 2.4% in 2010-2011 and reduction of the envelope allocated to new programs beginning in 2011-2012	759	1,660
TOTAL REDUCTION MEASURES	**1,377**	**5,204**
EXPECTED YIELD	**972**	**5,204**

[1] In the following sectors: municipal, regional agencies, training, immigrant employment integration and francization, and support for events.

2. REDUCTION OF PUBLIC ADMINISTRATION COSTS

LIMITED PAYROLL GROWTH

The agreements in principle made with the main central labour organizations provide for salary indexation of:

- 0.5% for the period from April 1, 2010 to March 31, 2011;
- 0.75% for the period from April 1, 2011 to March 31, 2012;
- 1.0% for the period from April 1, 2012 to March 31, 2013;
- 1.75% for the period from April 1, 2013 to March 31, 2014;
- 2.0% for the period from April 1, 2014 to March 31, 2015.

An improvement of the parameters stipulated for the years 2013-2014 and 2014-2015 could be granted on the basis of inflation and economic growth.

The management and supervisory staff of the public bodies subject to the Public Service Act (R.S.Q., c. F-3.1.1), the health and social services network and the education networks have seen these same salary parameters applied under the Act to implement certain provisions of the Budget Speech of 30 March 2010, reduce the debt and return to a balanced budget in 2013-2014[1].

In addition, the payroll of the departments and the budget-funded agencies has been frozen at the 2010-2011 level until 2013-2014. Thus, the payroll growth resulting from salary indexation and progression in the salary scales, in particular, must be offset by gains in efficiency and partial replacement of retirements.

The replacement of one out of two retirements, on the average, continues to apply in the departments and budget-funded agencies, while accounting for the special situations of the organizations.

These salary parameters and the payroll freeze will allow savings of $1.6 billion in 2013-2014. For the 2010-2011 fiscal year, the savings are estimated at $530.0 million.

10% REDUCTION OF ADMINISTRATIVE OPERATING EXPENDITURES

In the 2010-2014 Action Plan to Reduce and Control Expenditures, the government announced that the administrative operating expenditures of the departments and the budget-funded agencies would be reduced by 10% by the 2013-2014 fiscal year from their 2010-2011 expenditure level.

- In particular, the government set an objective to reduce advertising, training and travel expenditures by 25% as of the 2010-2011 fiscal year.

In addition, the Conseil du trésor asked the departments and the budget-funded agencies to freeze operating expenditures, other than the administrative operating expenditures covered by the reduction, at the 2010-2011 level.

[1] Provisions of the Act will be reviewed to account for the agreement in principle made with the Front commun syndical on June 25, 2010.

Moreover, the Act to implement certain provisions of the Budget Speech of 30 March 2010, reduce the debt and return to a balanced budget in 2013-2014 extended the reduction of administrative operating expenditures to the entities of the health and social services network, the entities of the education networks and the universities.

- To contribute to this reduction, the supervisory staff and the administrative staff of these entities must be reduced, with preference to attrition. This reduction will continue until the end of the fiscal year beginning in 2013.

The cumulative reduction of administrative operating expenditures of the departments and the budget-funded agencies was set at 4% for 2010-2011, 7% for 2011-2012, 9% for 2012-2013 and 10% for 2013-2014.

Including the 25% reduction of advertising, training and travel expenditures, savings of $78.0 million were generated in 2010-2011 by the departments, the budget-funded agencies, the health and social services network and the education networks.

CONTROL OF INFORMATION TECHNOLOGY PROJECTS

Information technology is an indispensable basis to enable public bodies to accomplish their mission with individuals and businesses. In this regard, the amounts invested in information resources in 2009-2010 by the departments, the agencies, the health and social services network and the education networks represented a total of nearly $2.6 billion.

The importance of these resources and their evolving reality require rigorous and adequate management. For this purpose, on December 8, 2010, the government tabled an information resources governance and management policy for public bodies, known as its Politique-cadre sur la gouvernance et la gestion des ressources informationnelles des organismes publics, accompanied by a bill on this matter.

The new governance and management rules provide for substantially tighter planning of information resources, as well as authorization, monitoring and accountability mechanisms. For example, projects of $5 million or more henceforth will be authorized in three stages, a justification case, a strategic presentation case and a business case, in order to obtain a risk assessment and responsible risk management.

These stages will make it possible to clearly discern the need to be covered, evaluate the best possible solutions, forecast project cost more precisely, and assess the schedule of development phases. Similarly, any cost overrun exceeding 10% henceforth will require an additional authorization. Public bodies will have to adopt a three-year plan and annual programming of projects.

Among other orientations, the government intends to pursue the use of information technology to derive productivity benefits. It will favour pooling to avoid duplication and realize savings. It will ensure that it has a sufficient number of qualified human resources to perform the activities and the projects, and to provide more supervision for external resources, considering that this recourse is necessary in some cases. Finally, it will pursue its effort to ensure the security of government information.

Better integration and complementarity of projects, precise planning, more rigorous management, and prioritization of projects according to the government's ability to pay will allow savings estimated at $200.0 million by 2013-2014.

These measures are evidence of the importance that the government attaches to management of public finances, by ensuring that each dollar invested in information resources has an optimum impact on the improvement and efficiency of government operations.

RATIONALIZATION OF ADMINISTRATIVE SERVICES AND OTHER MEASURES

The 2010-2014 Action Plan to Reduce and Control Expenditures proposes some promising actions with the aim of improving government operations, in particular. Simplification of the way government works and more efficient service delivery are essential elements of this Plan. Thus, among the other measures to reduce public administration costs, the following two measures can be found:

OPTIMIZATION PLAN IN THE HEALTH AND SOCIAL SERVICES NETWORK

On December 9, 2010, the Minister of Health and Social Services announced a service optimization plan to reduce the network's administrative and support costs and improve efficiency in the delivery of services. In this sense, in December 2010, the government tabled a bill to improve the management of the health and social services network. Its adoption will facilitate the achievement of the rationalization objectives, including the reduction of administrative expenditures to the benefit of public services.

In addition to the $190.0 million in savings resulting from the review of generic drug prices starting in 2013-2014, which will be discussed in the section on the review of program parameters, this plan aims at savings of around $540 million, which will be achieved gradually by 2013-2014. The plan should make it possible to contain the growth of expenditures at 5%.

Rationalization of administrative services

- Administration and support: A $100-million reduction of operating expenditures will be possible through consolidation of different administrative services, a review of the respective mandates of the national, regional and local levels, and non-replacement of one out of two administrative staff upon retirement.

- Procurement: The number of purchasing corporations will be reviewed, focusing on specialization of their expertise while optimizing institutional procurement. About $100.0 million in savings will be generated.

- Information technology: Server rooms will be combined, different assets will be pooled and IP telephony will be implemented. The anticipated savings amount to $70.0 million.

Improvement of program performance

- Improvement of efficiency in service delivery: "Lean" projects are scheduled and requests for proposals will be addressed to the network's institutions in order to update initiatives from the bottom up. A $270-million yield is anticipated.

Estimated Savings of the Service Optimization Plan of the Health and Social Services Network
(millions of dollars)

	2011-2012	2012-2013	2013-2014
Savings	116	285	540

REDUCTION OF DEVELOPMENT PROJECTS FOR GOVERNMENT OFFICES AND SPACES

Another measure announced by the government is a reduction of the development projects for government offices and spaces, which should result in a saving of $30.0 million in 2013-2014. A working group has been set up with Société immobilière du Québec, the manager of these spaces, to ensure the implementation of this measure beginning in the 2011-2012 fiscal year.

3. REVIEW OF PROGRAM PARAMETERS

REVIEW OF ASSISTANCE TO BUSINESSES

The review of assistance to businesses, announced in March 2010 in the 2010-2014 Action Plan to Reduce and Control Expenditures, seeks to identify the ways to simplify and reduce the number of programs, to prioritize the most efficient intervention modes and to assess government intervention in relation to what is offered by other jurisdictions.

In the summer of 2010, a working committee composed of representatives of the Ministère du Développement économique, de l'Innovation et de l'Exportation, Investissement Québec, the Secrétariat du Conseil du trésor and the Ministère des Finances was formed to analyze the interventions of the Gouvernement du Québec in this matter.

The objective is to develop an intervention strategy, for the next few years, allowing review of the assistance programs and measures to improve their efficiency and generate savings (complementarity of interventions, consolidation of programs, and simplification of conditions of application).

Work is in progress to produce the portrait of assistance to businesses for the period from 2003-2004 to 2009-2010 and to present the forecasts for the period from 2010-2011 to 2013-2014. Work is also in progress regarding Québec's intervention as compared to other jurisdictions, notably Ontario. However, this undertaking presents certain difficulties regarding the accessibility of data and its comparative qualities.

The Ministère du Développement économique, de l'Innovation et de l'Exportation has begun an important exercise with the aim of overhauling and simplifying its assistance programs and consolidating about fifteen of its interventions around six "business lines". A first concrete result of this exercise is the merger of the Strategic Support for Investment Program (PASI) and the Economic Projects Support Program (PSPE) to create the ESSOR program, thus simplifying the administration of various types of investment assistance. The merger of the two programs is reflected in the 2011-2012 Expenditure Budget.

The Department has also targeted two priority intervention projects in 2011-2012, support for entrepreneurship and for the exports of Québec goods and services. In the latter case, the Department will consolidate all of its support for exports in the same program.

Moreover, in the current budgetary context, other actions have been taken, particularly with regard to the RENFORT contingency program which was not renewed in 2011-2012.

The expected savings from the review of programs and non-renewal of contingency programs amount to nearly $300.0 million in 2013-2014.

REVISION OF GENERIC DRUG PRICES

In 2007, the government annonced a four-pronged medication policy: access to medication, setting a fair and reasonable price for medication, optimal use of medication and maintaining a dynamic biopharmaceutical industry in Québec.

It is established that each innovative or generic drug manufacturer undertakes to supply its products in Québec at the best available price for these same products under any other public plan in the rest of Canada.

Following the price reductions in Ontario for generic drugs, it was agreed with the generic drug manufacturers that the prices will be reduced to match the Ontario prices by April 1, 2012. Thus, up to April 2011, Québec will pay 37% of the price of the original drug for a generic drug. For the next twelve months, the rate will be 30%, finally reaching 25% on April 1, 2012.

This measure is consistent with the service optimization plan announced by the Minister of Health and Social Services.

As the following table indicates, once the public plan reaches cruising speed, it will achieve savings of around $190.0 million per year. These savings will contribute to ensure the sustainability of the Prescription Drug Insurance Plan.

Estimated Impact of the Reduction of Generic Drug Prices on Drug Expenditures
(millions of dollars)

	2011-2012	2012-2013	2013-2014
Savings	100	175	190

CONSOLIDATION OF PROGRAMS – SINGLE POINT OF CONTACT APPROACH

In order to develop scenarios for consolidating or optimizing programs with similar purposes, working groups have been formed with the participation of the main departments involved in the following sectors:

- Municipalities and regional agencies (without affecting local services);
- Training, immigrant employment integration and francization;
- Support for events.

Many stakeholders are involved in these areas of intervention, which affect various users. This can make operations more complex and sometimes may result in overlaps. The purpose of these mandates is thus to identify opportunities for improvement to streamline the administration of programs and reduce their administrative costs, improve the effectiveness and efficiency of interventions and facilitate access for the beneficiaries.

These working groups will have to formulate their recommendations by fall 2011 to allow implementation of the chosen scenarios in the 2012-2013 fiscal year. Recurring annual savings of $60.0 million are anticipated for these projects.

IMPROVEMENT IN PROGRAM PERFORMANCE

All departments pursue a review of their programs, including the services offered by the health and social services network and by education networks. In the case of the networks, specific mandates were assigned to the ministers concerned.

Education Networks

The review mandates in the education sector concerned the evaluation of the system costs, funding of services, revenue sources and network governance and performance.

In spring 2010, working committees composed of representatives of the Ministère de l'Éducation, du Loisir et du Sport, the Secrétariat du Conseil du trésor and the Ministère des Finances were formed to specify these mandates and begin the work.

- **Evaluation of system costs**

The work performed made it possible to produce detailed analyses of the evolution of growth factors, the developments of the past few years and their impact on the costs renewed each year. The data, analyses and main findings were shared by the Ministère de l'Éducation, du Loisir et du Sport and the Secrétariat du Conseil du trésor. The work will continue over the next few months and should be completed by fall 2011.

- **Funding of the services and revenue sources**

In the 2010-2011 Budget Speech, an increase in university tuitions was announced for fall 2012.

To determine the conditions of this increase, the Ministère de l'Éducation, du Loisir et du Sport initiated an approach that led, on December 6, 2010, to the Rencontre des partenaires de l'éducation sur l'avenir des universités et leur contribution au développement du Québec. Three main themes were discussed – the Québec university system, the funding of university education, and financial access to university studies.

The 2011-2012 Budget Speech announces the implementation of a pact to ensure the excellence of our universities by equitable funding and confirms:

— The commitment of the government to contribute to the funding of universities;

— The increase in tuition fees for all students;

— The measures to encourage the universities to diversify their funding sources;

— The improvements to the Loans and Bursaries Program to ensure financial access to studies;

— The commitments asked of the universities to reinvest in the quality of teaching and research, paying down their deficit, and access to university studies, with accountability that shows the results achieved.

- **Governance and performance of the education networks**

At the request of the Chair of the Conseil du trésor, the Ministère de l'Éducation, du Loisir et du Sport has begun an evaluation to assess the degree to which the current structures and the processes, including the accountability process, can be improved or streamlined with the aim of increasing efficiency, particularly by a reduction of overlaps, bureaucracy and administrative delays, and by pooling of services. The Ministère de l'Éducation, du Loisir et du Sport will report to the Conseil du trésor on the results of this work in fall 2011.

The Department has also undertaken work to allow the implementation of new practices or corrections with a view to achieving, at a lower cost or with better performance, the objectives set out in the policies and action plans established over the past few years in preschool, elementary and secondary education and in higher education. The work will continue during the 2011-2012 and 2012-2013 fiscal years.

The review mandates in the education networks will result in savings that allow achievement of the targets both for the program performance evaluations and for reduction of public administration costs.

Health and Social Services Network

As set out in the service optimization plan tabled by the Minister of Health and Social Services, one of the measures aims at improving efficiency in service delivery. "Lean" projects are scheduled and requests for proposals will be addressed to the network's establishments with a view to updating initiatives from the bottom up. A yield of $270.0 million is anticipated.

4. APPROPRIATE BUDGETARY DISCIPLINE

The overall reduction of the growth of expenditures of the departments and agencies is established at close to $1.4 billion in 2010-2011. Nearly half of this reduction comes from the rationalization of public administration costs, particularly resulting from the reduction of administrative operating expenditures, the freeze on other operating expenditures and the payroll of the departments and agencies and, finally, the modulation of salary growth according to the government's budgetary capacity.

The rest of the reduction results from the orderly budgetary discipline shown by the departments and agencies in order to remain within their respective budgetary envelopes, while assuming additional costs of about $405.0 million, related, in particular, to the impact of pay equity and the negotiations with the home childcare providers.

For the subsequent years, the government will limit the implementation of new programs or new initiatives. In relation to the average level of the envelopes allocated for this purpose from 2003-2004 to 2009-2010, this approach represents a $950-million reduction of the growth of expenditures in 2013-2014.

CHAPTER 2
CONSOLIDATED GOVERNMENT EXPENDITURES

For the 2011-2012 fiscal year, the consolidated government expenditures are $84,250.0 million, broken down as follows:

- $69,078.0 million for budgetary expenditures, representing $61,284.0 million for program spending and $7,794.0 million for debt service;
- $15,172.0 million for expenditures of consolidated entities and defined-purpose accounts.

Overall, consolidated expenditures not including debt service and defined-purpose accounts will rise 3.8% in 2011-2012, which is a marked slowdown compared to the average annual growth of 5.1% during the period from 2003-2004 to 2010-2011.

1. CONSOLIDATED GOVERNMENT EXPENDITURES

For the 2011-2012 fiscal year, consolidated government expenditures are $84,250.0 million, broken down as follows:

- $69,078.0 million for budgetary expenditures, representing $61,284.0 million for program spending and $7,794.0 million for debt service;
- $15,172.0 million for expenditures of consolidated entities and defined-purpose accounts.

Consolidated government expenditures for the 2011-2012 fiscal year should be $3,351.0 million higher than those forecast for 2010-2011.

Not including debt service and expenditures of defined-purpose accounts, consolidated government expenditures should rise to $74,759.0 million, an increase of 3.8% over 2010-2011.

Consolidated Government Expenditures[1]
(millions of dollars)

	2011-2012	2010-2011[2]	Variation
Program Spending	61,284.0	59,819.0	1,465.0
Debt Service	7,794.0	6,934.0	860.0
Budget Expenditures	**69,078.0**	**66,753.0**	**2,325.0**
Expenditures of Consolidated Entities and Defined-purpose Accounts[3]	15,172.0	14,146.0	1,026.0
Consolidated Government Expenditures[4]	**84,250.0**	**80,899.0**	**3,351.0**

[1] Expenditures after eliminating reciprocal transactions. These adjustments have the effect of eliminating inter-entity transactions within the government reporting entity.

[2] The data are presented in accordance with the 2011-2012 structure, which takes into account the creation of the Agence du revenu du Québec and the Tax Administration Fund.

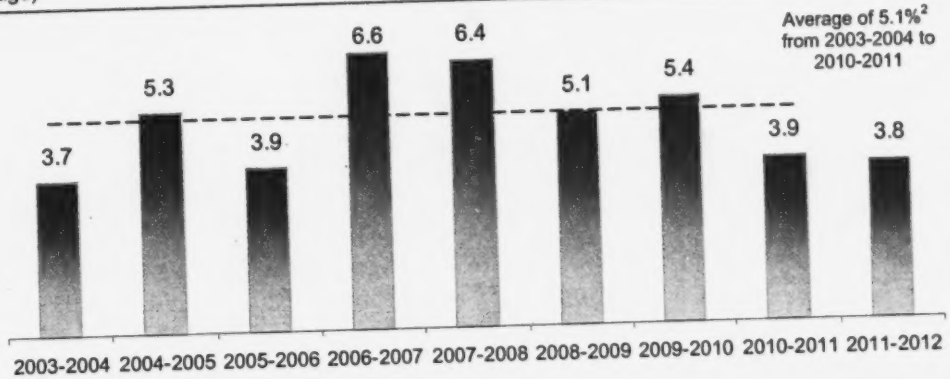
[3] For 2011-2012, the expenditures of the defined-purpose accounts after consolidation adjustments are set at $1,697.0 million and at $1,942.0 million for 2010-2011.

[4] Not including a provision for contingencies of $300.0 million in 2010-2011 and in 2011-2012.

2. EVOLUTION OF CONSOLIDATED GOVERNMENT EXPENDITURES

Overall, consolidated government expenditures, not including debt service and expenditures of defined-purpose accounts, have risen an average of 5.1% per year from 2003-2004 to 2010-2011. The 2011-2012 consolidated expenditure growth is limited to 3.8% compared to 3.9% in 2010-2011 and 5.4% in 2009-2010.

Evolution of Consolidated Government Expenditures[1]
(percentage)



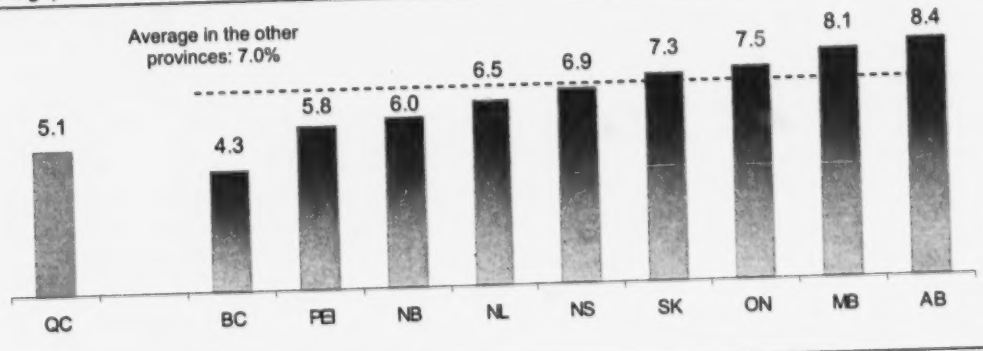
[1] Not including debt service and expenditures of defined-purpose accounts.

[2] This rate includes corrections for the health and social services and education networks in order to put the data on a comparable basis. These networks were not part of the government reporting entity in 2002-2003, the baseline year for calculating average annual growth.

Source : Ministère des Finances du Québec

The average annual growth rate of 5.1% for Québec consolidated expenditures compares to an average annual growth of 7.0% in the other Canadian provinces. Québec, therefore, ranks second in Canada, behind British Columbia which has a growth rate of 4.3%.

Growth of Consolidated Expenditures from 2003-2004 to 2010-2011[P]
(percentage)



[P] Preliminary figures for 2010-2011.

Source: Provincial finance departments and the Department of Finance Canada. Information as of March 10, 2011.

APPENDIX 2.1

THE GOVERNMENT REPORTING ENTITY

The criterion for inclusion in the government reporting entity is based on how much control government exerts.

The government reporting entity encompasses the departments and agencies under the responsibility of a Minister which have budgets funded by appropriations voted by the National Assembly. It also encompasses all of the special funds, extrabudgetary agencies, defined-purpose accounts and corporations that are owned or controlled by the government. It also includes health and social services agencies, public health establishments, school boards, CEGEPs and the Université du Québec and its constituents.

Consolidated government expenditures include, in addition to program spending and debt service, expenditures incurred by special funds, extrabudgetary agencies and defined-purpose accounts. They also include the entities of the health and social services and education networks.

Expenditures of consolidated entities are added to those of the government after eliminating inter-entity transactions and harmonizing accounting policies, when necessary. There are two kinds of consolidation adjustments:

- The first consists of eliminating inter-entity transactions. These eliminations are necessary to avoid accounting for the same expenditure twice;
- The second type of adjustment results from harmonization of accounting policies with those of the government.

It should be noted that organizations that perform fiduciary activities are not part of the government reporting entity.

METHODS OF CONSOLIDATION

The purpose of consolidation is to combine all financial transactions and resources for which the government is responsible. This provides a comprehensive picture of government finances. Two methods of consolidation are used, depending on the type of entity involved.

The first method, known as the full consolidation method, consists of adding up, line by line, the accounts of the departments, special funds, extrabudgetary agencies, defined-purpose accounts and the entities of the health and social services and education networks.This incorporates their financial transactions, such as the expenditures and debts of agencies, into the government's financial statements. This method is used for the entities listed in Appendices 5.2, 5.3, 5.4, 5.5 and 5.6 of chapter 5.

The second method, known as the modified equity method of accounting of consolidation value, applies to government corporations. It consists of adding the net results of these corporations - surpluses or deficits - to the government results. This method applies to the entities listed in Appendix 5.7 of chapter 5.

CHAPTER 3
2011-2012 EXPENDITURE BUDGET

Government budget expenditures amount to $69,078.0 million for the 2011-2012 fiscal year. They break down as follows:

- $61,284.0 million for program spending, an increase of 2.4% or $1,465.0 million compared to the 2010-2011 probable expenditure;
- $7,794.0 million for debt service, an increase of $860.0 million over 2010-2011.

The growth of program spending is allocated mainly to the following government priorities:

- $1,024.9 million to the "Santé et Services sociaux" portfolio, an increase of 3.6%;
- $328.0 million to the "Éducation, Loisir et Sport" portfolio, an increase of 2.2%;
- $137.1 million to the "Famille et Aînés" portfolio, an increase of 6.1%.

The expenditure budget of the other portfolios remains at the same overall level.

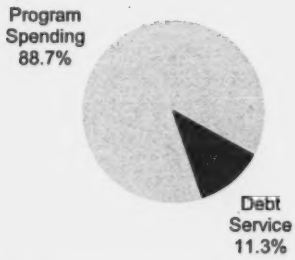
1. 2011-2012 EXPENDITURE BUDGET

Government budget expenditures amount to $69,078.0 million for the 2011-2012 fiscal year, a 3.5% increase over 2010-2011. Budget expenditures break down as follows:

- $61,284.0 million for program spending, an increase of 2.4% or $1,465.0 million over 2010-2011;
- $7,794.0 million for debt service, an increase of $860.0 million over 2010-2011. This increase is mainly due to higher interest rates, the impact of the yields of the Caisse de dépôt et placement du Québec on the income of the Retirement Plans Sinking Fund (recorded as interest deductions in the retirement plans account), and the increase in the debt.

Program spending accounts for 88.7% of the expenditure budget in 2011-2012, while debt service accounts for 11.3%.

Evolution of Budget Expenditures
(millions of dollars)



	2011-2012	2010-2011	Variation $ million	Growth %
Program Spending	61,284.0	59,819.0	1,465.0	2.4
Debt Service	7,794.0	6,934.0	860.0	12.4
Budget Expenditures	**69,078.0**	**66,753.0**	**2,325.0**	**3.5**

2. BREAKDOWN OF PROGRAM SPENDING IN 2011-2012

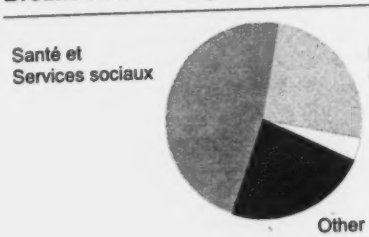
Expenditures of the "Santé et Services sociaux", "Éducation, Loisir et Sport" and "Famille et Ainés" portfolios amount to $47,068.5 million and represent 76.8% of program spending in 2011-2012:

- The "Santé et Services sociaux" portfolio, with a budget of $29,140.5 million, represents 47.5% of program spending;
- The "Éducation, Loisir et Sport" portfolio, with a budget of $15,541.1 million, represents 25.4% of program spending;
- The "Famille et Aînés" portfolio, with a budget of $2,386.9 million, representing 3.9% of program spending.

Expenditures of the other portfolios, totalling $14,215.5 million, together represent 23.2% of program spending. In particular:

- The "Emploi et Solidarité sociale" portfolio, with a budget of $4,255.9 million, representing 6.9% of program spending;
- The "Affaires municipales, Régions et Occupation du territoire" portfolio, with a budget of $1,762.9 million, representing 2.9% of program spending.

Breakdown of Program Spending in 2011-2012



	$ million	%
Santé et Services sociaux	29,140.5	47.5
Éducation, Loisir et Sport	15,541.1	25.4
Famille et Aînés	2,386.9	3.9
Other Portfolios	14,215.5	23.2
Total	**61,284.0**	**100.0**

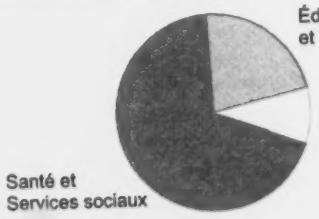
3. VARIATION IN PROGRAM SPENDING IN 2011-2012

Program spending increases by $1,465.0 million in 2011-2012, which is 2.4% over the 2010-2011 probable expenditure. This growth is allocated mainly to the following three portfolios:

- $1,024.9 million to the "Santé et Services sociaux" portfolio, a 3.6% increase over 2010-2011, representing 70.0% of total growth;
- $328.0 million to the "Éducation, Loisir et Sport" portfolio, a 2.2% increase over 2010-2011, representing 22.4% of total growth;
- $137.1 million to the "Famille et Aînés" portfolio, a 6.1% increase over 2010-2011, representing 9.4% of total growth.

The expenditure budget for all the other portfolios remains at the same overall level.

Breakdown of Program Spending Growth in 2011-2012



	Breakdown		Growth Rate
	$ million	%	%
Santé et Services sociaux	1,024.9	70.0	3.6
Éducation, Loisir et Sport	328.0	22.4	2.2
Famille et Aînés	137.1	9.4	6.1
Other Portfolios	(25.0)	(1.8)	(0.2)
Total	**1,465.0**	**100.0**	**2.4**

SANTÉ ET SERVICES SOCIAUX

Expenditure budget increases by $1,024.9 million in 2011-2012

The growth allocated to the Ministère de la Santé et des Services sociaux is $1,024.9 million in 2011-2012, up 3.6% from 2010-2011. This growth particularly serves to:

- Fund the forecast increases in remuneration for health and social services network staff and for health professionals, the variation in employer's contributions and adjustments to the retirement plans, which represent an amount of $873.9 million for 2011-2012;

- Cover the specific system costs of health related to population aging, indexation of non-salary expenditures, the increase in the interprovincial rates and volumes of activities regarding hospitalization insurance outside Québec, the continuation of the assisted procreation program, the correction of the budget bases of the institutions, and the debt service variation.

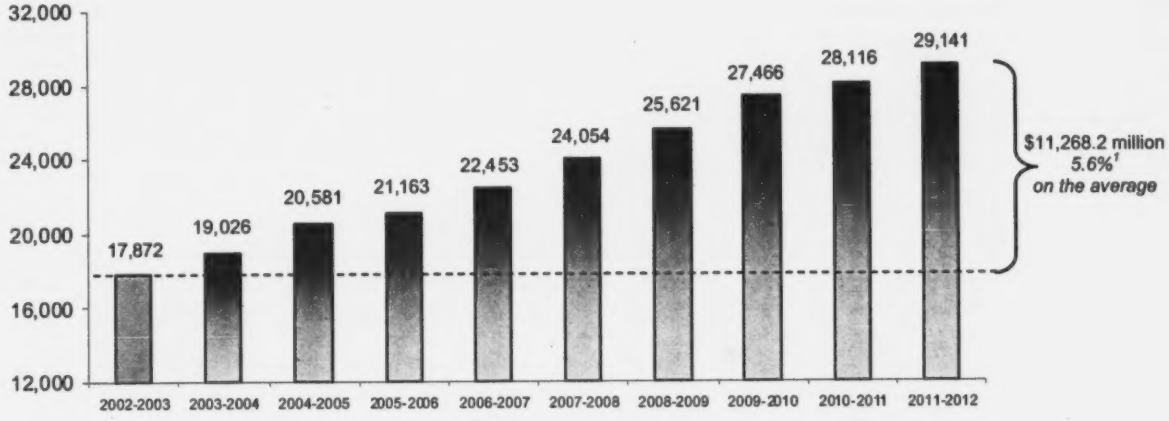
The growth of this portfolio accounts for expenditures estimated at $114.9 million, which will be charged to a defined-purpose account, in which will be deposited the amounts coming from Société de l'assurance automobile du Québec to defray the costs of health services resulting from automobile accidents.

Moreover, reduction measures of $116.4 million have been applied to the administrative expenditures regarding the institutions of the health and social services network, and health and social services agencies.

Added to the budget of the Ministère de la Santé et des Services sociaux is the Fund to Finance Health and Social Services Institutions (FINESSS), for which an amount of $575.0 million is forecast in 2011-2012.

For the period from 2003-2004 to 2011-2012, the expenditure budget allocated to the health and social services sector increased by $11,268.2 million, representing average annual growth of 5.6%, excluding the expenditures funded by FINESSS. When FINESSS is considered, the average annual growth increases to 5.8%.

Evolution in Health and Social Services Expenditures
(millions of dollars)



[1] This growth excludes expenditures financed by FINESSS.

ÉDUCATION, LOISIR ET SPORT

Expenditure budget increases by $328.0 million in 2011-2012

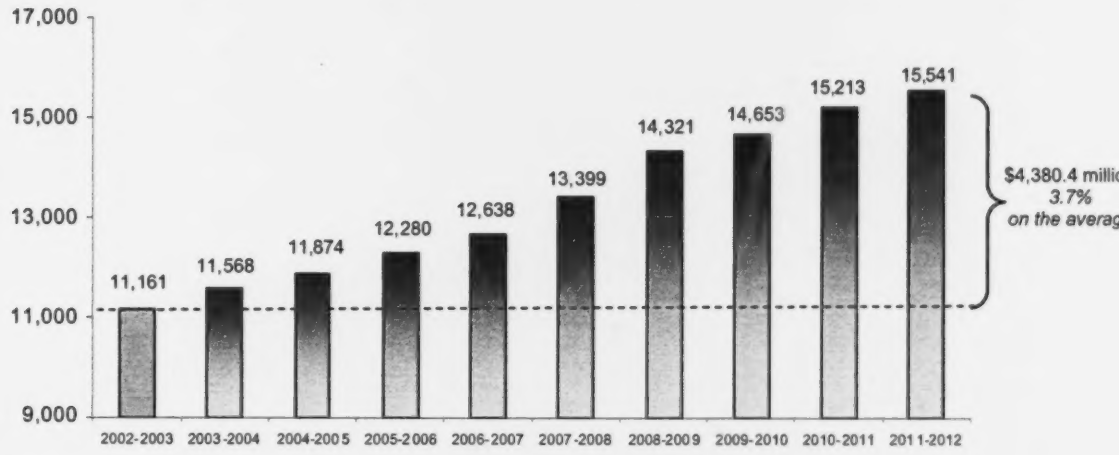
Expenditures on education rise by $328.0 million in 2011-2012, which is 2.2% over 2010-2011. Additional amounts allocated to education particularly serve to:

- Maintain and improve the quality of services and allow funding of the different growth factors in the education networks, specifically wage parameters, clientele effects and the subsidized debt, amounting to $291.0 million;

- Add $37.0 million to act on government commitments and mainly to ensure the ongoing implementation of the actions announced in the Action strategy on Student Retention and Student Success and the Plan d'action pour soutenir la réussite des élèves handicapés ou en difficulté d'adaptation ou d'apprentissage, particularly to reduce class size in elementary schools, provide individualized guidance in secondary schools and increase the supply of extracurricular, sports and cultural activities.

For the period from 2003-2004 to 2011-2012, the expenditure budget allocated to the education sector increased by $4,380.4 million, which represents an average annual growth of 3.7%.

Evolution in Education Expenditures
(millions of dollars)



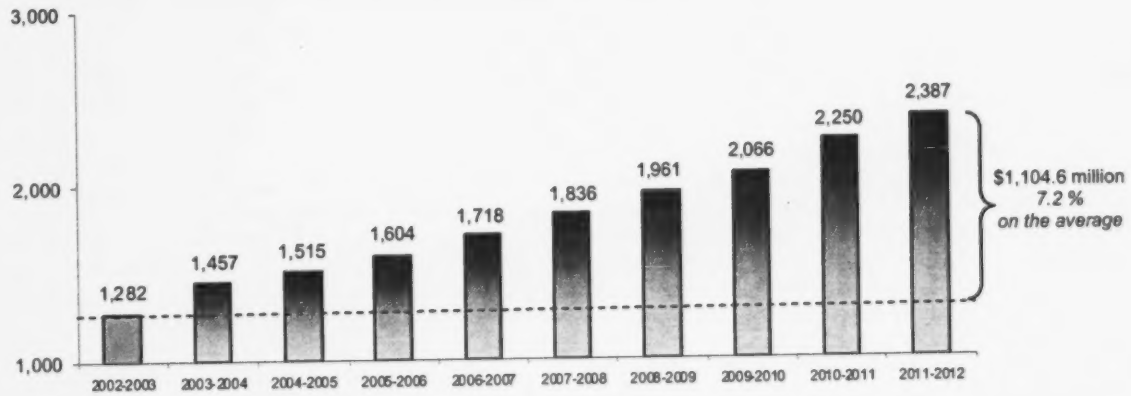
FAMILLE ET AÎNÉS

Expenditure budget increases by $137.1 million in 2011-2012

Expenditures of the Ministère de la Famille et des Aînés increase by $137.1 million in 2011-2012, 6.1% over 2010-2011. These additional amounts particularly allow a $135.0 million increase in the budget for assistance to families and to ensure the financing of new childcare spaces needed to reach the target of 220,000 places in 2011-2012.

For the period from 2003-2004 to 2011-2012, the expenditure budget allocated to the Ministère de la Famille et des Aînés increased by $1,104.6 million, which represents an average annual growth of 7.2%.

Evolution in Family and Seniors Expenditures
(millions of dollars)



OTHER PORTFOLIOS

Overall reduction of 0.2%

Budgets of the other departments remain at the same overall level. These budgets were prepared with the aim of preserving services to the public. The main variations are as follows:

- The budget for the Ministère des **Affaires municipales, des Régions et de l'Occupation du territoire** decreases by $98.1 million or 5.3%, particularly due to the withdrawal of the amounts required for payment of the debt service of Société québécoise d'assainissement des eaux and the implementation of the measures forecast in the 2010-2014 Action Plan to Reduce and Control Expenditures. The decrease is partially offset by the increase in the cost of infrastructure programs and by the additional amounts forecast in the Entente sur un nouveau partenariat fiscal et financier avec les municipalités;

- The budget of the Ministère de l'**Agriculture, des Pêcheries et de l'Alimentation** increases by $6.6 million or 0.6%, mainly due to a carry-forward from 2010-2011 to a later year of forecast amounts for adaptation of agricultural businesses;

- The budget of the **National Assembly** is decreased by $0.1 million or 0.1%, mainly due to a downward revaluation of the cost of retirement plans;

- Excluding the amount of $324.9 million forecast in the Contingency Fund, the budget of the **Conseil du trésor et de l'Administration gouvernementale** decreases by $75.3 million or 10.0%, mainly due to adjustments related to pay equity, changes made to the retirement plans under the negotiations with the central labour organizations, the implementation of the 2010-2014 Action Plan to Reduce and Control Expenditures, and additional economy measures. Particularly considering the amount forecast in the Contingency Fund in 2011-2012 for pay equity, the reduction would be brought down from $75.3 million to $30.7 million;

- Excluding the impact of the provision for the realization of government communications projects, which allows transfers to other government programs, the budget of the Ministère du **Conseil exécutif** increases by $21.4 million. The increase is mainly due to indexations and adjustments of agreements with First Nations totalling $15.0 million and the costs related to the Youth Action Strategy;

- The budget earmarked for the Ministère de la **Culture, des Communications et de la Condition féminine** increases by $16.4 million. This increase is due, in particular, to the need for $32.6 million related to the Adresse symphonique concert hall, offset by various economy measures adopted under the 2013-2014 Plan to Restore Fiscal Balance and by the withdrawal of non-recurring measures;

- The budget for the Ministère du **Développement durable, de l'Environnement et des Parcs** decreases by $6.6 million or 3.1%. This decrease is mainly explained by the withdrawal of non-recurring expenditures and by economy measures;

- The budget of the Ministère du **Développement économique, de l'Innovation et de l'Exportation** is down $26.0 million or 2.8%. This variation is due to a decrease of $123.1 million in the appropriations allocated to the Economic Development Fund, mainly related to the end of the RENFORT program, and to economy measures related to the 2010-2014 Action Plan to Reduce and Control Expenditures. This decrease is partially offset by increases of $76.7 million for the renewal of the 2010-2013 Québec Research and Innovation Strategy and $24.2 million for research infrastructures;

- The budget allocated to the Ministère de **l'Emploi et de la Solidarité sociale** is down $65.8 million. This decrease is essentially explained by an amount of $75.0 million received in 2010-2011 from the provision for carrying on activities supporting the integration and francization of immigrants, to which is added the expected effect of the decrease in the clientele of the last-resort financial assistance programs and the economy measures resulting from the 2010-2014 Action Plan to Reduce and Control Expenditures. This decrease is partially offset by the impact of indexation of last-resort financial assistance benefits and by the commitments of the 2010-2015 Government Action Plan for Solidarity and Social Inclusion;

- The budget of the Ministère des **Finances** is up $72.1 million. This increase is particularly due to the government contribution of $14.3 million to Société de financement des infrastructures locales du Québec and the restoration of the $61.3 million provision for revenue initiatives partially offset by economy measures;

- The budget of the Ministère de **l'Immigration et des Communautés culturelles** increases by $127.6 million. This increase is explained by the restoration of the provision for carrying on activities supporting the integration and francization of immigrants. It is partially offset by accounting for expenditures related to immigrant selection financed through the net voted appropriation in 2010-2011;

- The budget of the Ministère de la **Justice** decreases by $17.1 million, particularly due to fluctuations to crime victims compensation and to the withdrawal of non-recurring expenditures realized in 2010-2011, specifically the payment of an indemnity under an out-of-court settlement made by the Attorney General, the holding of the Inquiry Commission into the appointment process for judges, and the transfer of an amount from the provision of the Ministère des Finances to fight undeclared revenue activities and tax evasion;

- The budget of **Persons Appointed by the National Assembly** increases by $7.0 million, essentially due to the addition of the budget of the Ethics Commissioner created in January 2011, the increase in the rate for public financing of political parties, and the rollout of the provincial electoral events management information system;

- The budget of the Ministère des **Relations internationales** increases by $1.1 million. This increase is mainly explained by an amount transferred to other departments in 2010-2011 from the provision for the realization of Québec's International Policy and the application of economy measures in the 2010-2014 Action Plan to Reduce and Control Expenditures;

- The budget of the Ministère des **Ressources naturelles et de la Faune** decreases by $76.6 million or 12.3%, mainly due to the additional costs for fighting forest fires in 2010-2011;

- The budget of the Ministère de la **Sécurité publique** is down $17.4 million. This decrease is explained, in particular, by amounts transferred in 2010-2011 from the Ministère des Finances provision for revenue initiatives and by the rationalization measures forecast in the 2010-2014 Action Plan to Reduce and Control Expenditures;

- The expenditure budget of the Ministère du **Tourisme** increases by $0.2 million, accounting in particular for the $1.5-million increase in the plan for major repair of the fixed assets of the Régie des installations olympiques, offset by economy measures;

- The expenditure budget of the Ministère des **Transports** increases by $3.8 million. This variation is explained, in particular, by the $38.8-million increase in road infrastructure maintenance costs, offset by a $30.4-million decrease due to the modification of the payment schedule of financial assistance to the local road system and economy measures;

- Finally, the $11.7-million decrease in the budget of the Ministère du **Travail** is essentially due to an amount of $11.0 million transferred in 2010-2011 from the Ministère des Finances provision for revenue initiatives and disbursed under the activities of the Commission de la construction du Québec and the Régie du bâtiment du Québec, with the aim at fighting undeclared revenue activities and tax evasion in the construction industry and the application of economy measures under the 2010-2014 Action Plan to Reduce and Control Expenditures.

APPENDIX 3.1

Variation between the 2011-2012 Expenditure Budget and the 2010-2011 Probable Expenditure

(millions of dollars)

	Expenditure Budget 2011-2012	Probable Expenditure 2010-2011	Variation	
			$ million	%
National Assembly[1]	116.1	116.2	(0.1)	(0.1)
Persons Appointed by the National Assembly[1]	77.5	70.5	7.0	9.9
Affaires municipales, Régions et Occupation du territoire	1,762.9	1,861.0	(98.1)	(5.3)
Agriculture, Pêcheries et Alimentation	1,068.4	1,061.8	6.6	0.6
Conseil du trésor et Administration gouvernementale	1,004.4	754.8	249.6	(10.0)[3]
Conseil exécutif	368.8	333.8	35.0	6.5[4]
Culture, Communications et Condition féminine	677.9	661.5	16.4	2.5
Développement durable, Environnement et Parcs	204.0	210.6	(6.6)	(3.1)
Développement économique, Innovation et Exportation	890.1	916.1	(26.0)	(2.8)
Éducation, Loisir et Sport	15,541.1	15,213.1	328.0	2.2[5]
Emploi et Solidarité sociale	4,255.9	4,321.7	(65.8)	0.1[6]
Famille et Aînés	2,386.9	2,249.8	137.1	6.1[7]
Finances[2]	173.8	101.7	72.1	10.6[8]
Immigration et Communautés culturelles	303.9	176.3	127.6	1.2[9]
Justice	696.5	713.6	(17.1)	(1.9)[10]
Relations internationales	111.7	110.6	1.1	1.0[11]
Ressources naturelles et Faune	546.5	623.1	(76.6)	(12.3)
Santé et Services sociaux	29,140.5	28,115.6	1,024.9	3.6[12]
Sécurité publique	1,162.9	1,180.3	(17.4)	0.8[13]
Tourisme	138.6	138.4	0.2	0.2
Transports	848.6	844.8	3.8	0.5
Travail	32.0	43.7	(11.7)	(2.1)[14]
Anticipated Lapsed Appropriations	(225.0)	-	(225.0)	-
Program Spending	**61,284.0**	**59,819.0**	**1,465.0**	**2.4**
Debt Service	7,794.0	6,934.0	860.0	12.4
Budget Expenditures	**69,078.0**	**66,753.0**	**2,325.0**	**3.5**

Note: Figures are rounded and the sum of the amounts recorded in respect of each portfolio may not correspond to the total. Program spending is presented in accordance with the 2011-2012 budget structure.

References

1 The information pertaining to the appropriations, expenditures and annual expenditure management plans of the National Assembly and the Persons Appointed by the National Assembly is presented in Volume I.

2 For the purposes of this table, debt service is excluded from the expenditures of the "Finances" portfolio. In Volume II of the 2011-2012 Expenditure Budget and in the annual expenditure management plans of the departments and agencies, the expenditures of the "Finances" portfolio incorporate debt service.

3 The variation percentage was calculated by excluding the Contingency Fund program from the 2011-2012 Expenditure Budget.

4 The variation percentage was calculated by excluding the provision for the realization of government communications projects from the 2011-2012 Expenditure Budget.

5 Excluding transfers from the provision for carrying on activities supporting the integration and francization of immigrants, the provision for the realization of government communications projects and the provision for carrying out job creation projects for students from the probable expenditure, the variation percentage would be 2.7%.

6 The variation percentage was calculated by excluding the provision for carrying out job creation projects for students from the 2011-2012 Expenditure Budget and excluding transfers from the provision for carrying on activities supporting the integration and francization of immigrants and the provision for the realization of government communications projects from the probable expenditure.

7 Excluding the provision to improve food staples in residential and long-term care centres (CHSLD) from the 2011-2012 Expenditure Budget, and excluding the transfers from the provision for carrying out job creation projects for students from the probable expenditure, the rate would be 6.0%.

8 The variation percentage was calculated by excluding the provision for revenue initiatives from the 2011-2012 Expenditure Budget.

9 The variation percentage was calculated by excluding the provision for carrying on activities supporting the integration and francization of immigrants from the 2011-2012 Expenditure Budget and excluding the amounts associated with the net voted appropriation from the probable expenditure.

10 The variation percentage was calculated by excluding the transfers from the provision for carrying out job creation projects for students, the provision for carrying out activities to promote the French language, the provision for the realization of Québec's International Policy and the provision for revenue initiatives from the probable expenditure.

11 Excluding the provision for the realization of Québec's International Policy from the 2011-2012 Expenditure Budget, the variation percentage would instead be -2.5%.

12 Excluding transfers from the provision to improve food staples in CHSLDs, the provision for carrying on activities supporting the integration and francization of immigrants and the provision for the realization of government communications projects from the probable expenditure and by accounting for the revenue from FINESS, namely $575.0 million in the 2011-2012 Expenditure Budget and $180.0 million in the probable expenditure, the variation percentage would be 5.1%.

13 The variation percentage was calculated by excluding from the probable expenditure the transfers from the provision for carrying out job creation projects for students.

14 The variation percentage was calculated by excluding transfers from the provision for revenue initiatives and the provision for carrying out job creation projects for students from the probable expenditure.

Note

With regard to references 3 to 14 above, a provision is a program element for which appropriations legislation gives the Conseil du trésor the power to authorize the transfer of part of an appropriation between programs or portfolios for the purposes and, if applicable, according to the conditions determined in the Expenditure Budget.

CHAPTER 4
2010-2011 BUDGET EXPENDITURES

For the 2010-2011 fiscal year, the government budget expenditures should be $66,753.0 million. Program spending accounts for $59,819.0 million and the debt service for $6,934.0 million, respectively representing increases of 2.4% and 13.4% compared to 2009-2010.

The 2010-2011 program spending is up $758.0 million compared to the 2010-2011 Expenditure Budget due to:

- The $402.0-million increase in the provision for doubtful accounts at the Ministère du Revenu;
- The impact of $356.0 million resulting from the new actuarial valuations of retirement plans.

Moreover, additional expenditures, particularly for the costs related to the accounting reform, adjustments related to pay equity, and costs resulting from agreements negotiated with home childcare providers were offset by the application of various economy measures, including those arising from the 2010-2014 Action Plan to Reduce and Control Expenditures.

The debt service was revised downward by $46.0 million in relation to the 2010-2011 Expenditure Budget.

1. EVOLUTION OF THE 2010-2011 GOVERNMENT BUDGET EXPENDITURES FORECAST

Program spending increased by $758.0 million in relation to the forecast of $62,561.0 million appearing in the 2010-2011 Expenditure Budget. This increase breaks down as follows:

- $402.0 million to the Ministère du Revenu for the increase in the expenditure for the provision of doubtful accounts;

- $356.0 million resulting from the impact of the new actuarial valuations of retirement plans for employees of the health and social services network, the education networks and the public service.

In addition, the application of various economy measures, including those arising from the 2010-2014 Action Plan to Reduce and Control Expenditures, made it possible to provide for additional expenditures of $405.0 million during the year, in particular:

- $179.0 million for the costs related to the accounting reform, namely $97.3 million for the education networks and $81.7 million for the health and social services network;

- $80.0 million for adjustments related to pay equity for the employees of the health and social services network, the education networks and the public service;

- $72.6 million to the Ministère de la Famille et des Aînés attributable to the costs resulting from agreements negotiated with home childcare providers.

In 2010-2011, the debt service should amount to $6,934.0 million, including $4,286.0 million for direct debt service and $2,661.0 million for interest on retirement plans.

On the whole, the debt service was revised downward by $46.0 million in relation to the Expenditure Budget of March 2010, mainly due to lower-than-forecast interest rates.

Evolution of the 2010-2011 Expenditure Budget
(millions of dollars)

	Actual Expenditures Program Spending	Debt Service	Budget Expenditures
2010-2011 Expenditure Budget	**62,561.0**	**6,980.0**	**69,541.0**
Variations :			
• Increase in the expenditure for the provision of doubtful accounts at the Ministère du Revenu	402.0	-	402.0
• Impact of the new actuarial valuations of retirement plans	356.0	-	356.0
• Other factors	-	(46.0)	(46.0)
	758.0	(46.0)	712.0
Probable Expenditure before the implementation of FORT and the ARQ	**63,319.0**	**6,934.0**	**70,253.0**
MINUS: Establishment of FORT	(1,993.0)	-	(1,993.0)
Probable Expenditure in the 2010-2011 budget structure	**61,326.0**	**6,934.0**	**68,260.0**
MINUS: Creation of the ARQ	(1,507.0)	-	(1,507.0)
Probable Expenditure in the 2011-2012 budget structure (on a comparable basis)	**59,819.0**	**6,934.0**	**66,753.0**

2. VARIATION IN GOVERNMENT BUDGET EXPENDITURES IN 2010-2011

In the 2011-2012 budget structure, government budget expenditures incurred during the 2010-2011 fiscal year should amount to $66,753.0 million, which is an increase of $2,246.3 million or 3.5% over the previous fiscal year.

Program spending is up 2.4% to $59,819.0 million, versus $58,389.4 million in 2009-2010.

Debt service stands at $6,934.0 million, representing an increase of $816.7 million or 13.4% compared to 2009-2010.

Budget Expenditures[1]
(millions of dollars)

	2010-2011	2009-2010	Variation	
			$ million	%
Program Spending	59,819.0	58,389.4	1,429.6	2.4
Debt Service	6,934.0	6,117.3	816.7	13.4
Budget Expenditures	**66,753.0**	**64,506.7**	**2,246.3**	**3.5**

[1] The 2010-2011 and 2009-2010 expenditures are presented according to the 2011-2012 budget structure, which excludes the Ministère du Revenu, replaced by the Agence du revenu du Québec (ARQ) effective April 1, 2011, and the Land Transportation Network Fund (FORT), which began its activities on April 1, 2010 (see Appendix 4.1).

3. EVOLUTION OF AUTHORIZED APPROPRIATIONS IN 2010-2011

As of March 30, 2010, total appropriations presented to the National Assembly amounted to $71,472.3 million, of which $64,467.3 million was for program spending and $7,005.0 million for debt service.

On a net basis, the permanent appropriations were $183.1 million greater than those forecast at the beginning of the year, particularly due to the impact of the new actuarial valuations of retirement plans, additional expenditures required by the suppression of forest fires, and the reduction of the debt service.

Moreover, appropriations totalling $1,906.6 million, allocated for the 2010-2011 fiscal year to the Ministère des Transports, will not be spent following the creation of the Land Transportation Network Fund.

Excluding appropriations of $1,990.5 million allocated to the capital budget as loans, investments, advances and others, as well as capital expenditures, and including expenditures that do not require appropriations, budget expenditures amount to $66,753.0 million, on a comparable basis.

Reconciliation between Appropriations and the 2010-2011 Probable Expenditure
(millions of dollars)

	Program Spending	Debt Service	Budget Expenditures
Initial appropriations	64,467.3	7,005.0	71,472.3
Permanent appropriations: variation	241.1	(58.0)	183.1
Total appropriations before the implementation of FORT and the ARQ	**64,708.4**	**6,947.0**	**71,655.4**
MINUS: Appropriations not spent by the MTQ – FORT portion	(1,906.6)	-	(1,906.6)
Total appropriations in the 2010-2011 budget structure	**62,801.8**	**6,947.0**	**69,748.8**
Expenditures not requiring appropriations	150.8	(13.0)[1]	137.8
MINUS: Appropriations allocated to the capital budget	(1,990.5)	-	(1,990.5)
MINUS: Creation of the ARQ	(1,143.1)	-	(1,143.1)
Probable Expenditure in the 2011-2012 budget structure (on a comparable basis)	**59,819.0**	**6,934.0**	**66,753.0**

[1] Reduction due to the excess of investment income over interest accrued for governmental obligations in respect of future employee benefits.

APPENDIX 4.1

IMPACT OF THE CHANGES MADE TO THE BUDGET STRUCTURE

Government budget expenditures have been standardized to account for the changes made to the accounting structure, namely the creation of the Agence du revenu du Québec and the establishment of the Land Transportation Network Fund.

In 2010, the government adopted the bill resulting in the creation of the Agence du revenu du Québec to achieve, notably, tax collection objectives. The Agence du revenu du Québec is autonomous and is compensated for its services via the Tax Administration Fund.

The "Revenu" portfolio thus is withdrawn to account for the establishment of the Agence du revenu du Québec on April 1, 2011, which replaces the Ministère du Revenu.

The government also adopted new provisions in 2010, aimed at broadening the Road Network Preservation and Improvement Fund to include public transit, in particular. This Fund, henceforth called the Land Transportation Network Fund, integrates the Fund for the Contributions of Motorists to Public Transportation and the Fund for the Sale of Goods and Services of the Ministère des Transports. Its activities are funded by dedicated revenue sources, mainly by the revenue from the fuel tax and revenue from duties on driver's licences and vehicle registrations.

The "Transports" portfolio thus excludes the activities of the Land Transportation Network Fund as of April 1, 2010.

Budget Expenditures
(millions of dollars)

	2010-2011	2009-2010	Variation	
			$ million	%
Program Spending in the Expenditure Budget	**62,561.0**	**60,769.0**	**1,792.0**	**2.9**
Increase in the objective	758.0	810.0		
Program Spending before the implementation of FORT and the ARQ	**63,319.0**	**61,579.0**	**1,740.0**	**2.8**
MINUS: Establishment of FORT	(1,993.0)	(1,715.1)		
Program Spending in the 2010-2011 budget structure	**61,326.0**	**59,863.9**	**1,462.1**	**2.4**
MINUS: Creation of the ARQ	(1,507.0)	(1,474.5)		
Program Spending in the 2011-2012 budget structure (on a comparable basis)	**59,819.0**	**58,389.4**	**1,429.6**	**2.4**
Debt Service	6,934.0	6,117.3	816.7	13.4
Program Spending in the 2011-2012 budget structure (on a comparable basis)	**66,753.0**	**64,506.7**	**2,246.3**	**3.5**

IN BRIEF

CHAPTER 5
RESULTS OF CONSOLIDATED ENTITIES

For the 2011-2012 fiscal year, revenues and expenditures of special funds, extrabudgetary agencies, the Generations Fund, entities of the health and social services and education networks, before consolidation adjustments, are $67,548.8 million and $66,489.9 million respectively. Defined-purpose accounts have revenues of $1,696.8 million and expenditures of $1,716.4 million.

Consolidation of the revenues and expenditures of consolidated entities and defined-purpose accounts has the effect of increasing government revenues by $16,315.0 million and expenditures by $15,172.0 million; this represents an increase of $1,143.0 million in the results of consolidated government expenditures for the 2011-2012 fiscal year.

Forecasts for extrabudgetary agencies and special funds take into account the impact of policies aimed at reducing administrative operating expenditures of such agencies, as stipulated in the Act to implement certain provisions of the Budget Speech of 30 March 2010, reduce the debt and return to a balanced budget in 2013-2014 (2010, c. 20).

1. EVOLUTION OF FORECAST RESULTS OF CONSOLIDATED ENTITIES IN 2010-2011

Since the 2010-2011 Expenditure Budget was tabled, the forecast results of the consolidated entities and defined-purpose accounts improved overall by $859,7 million before consolidation adjustments, going from a surplus of $362.2 million to a $1,221.9 million forecast for this fiscal year:

- The forecast results of special funds and extrabudgetary agencies improved by $860.4 million;
- The forecast results of the entities of the health and social services and education networks were revised upward by $147.0 million;
- The results of the Generations Fund were revised downward by $160.0 million;
- The results of defined-purpose accounts were revised upward by $12.3 million.

Evolution of Forecast Results of Consolidated Entities in 2010-2011
(millions of dollars)

	2010-2011		
	Revised Forecasts	Expenditure Budget	**Variation**
Special Funds	602.3	(173.0)	775.3
Extrabudgetary Agencies	84.0	(1.1)	85.1
	686.3	(174.1)	860.4
Health and Social Services and Education Networks	(52.0)	(199.0)	147.0
Generations Fund	732.0	892.0	(160.0)
Defined-purpose Accounts	(144.4)	(156.7)	12.3
Results Before Consolidation Adjustments	**1,221.9**	**362.2**	**859.7**

The improvement in the forecast results of special funds and extrabudgetary agencies is $860.4 million before consolidation adjustments. This improvement is mainly due to the following factors:

- Revenues exceeding expenditures by $519.3 million in the Land Transportation Network Fund (FORT) generated by fuel taxes and vehicle registration fees which have been earmarked for funding FORT activities since April 1, 2010. As of that date, FORT combines the activities of the Road Network Preservation and Improvement Fund, the Fund for the Sale of Goods and Services of the Ministère des Transports and the Fund for the Contributions of Motorists to Public Transportation, as well as ongoing and periodic maintenance of the road network, assistance to individuals for public transportation and assistance to off-road vehicle clubs;
- An increase of $148.8 million in the Green Fund, mainly due to certain delays in the implementation of the 2006-2012 Climate Change Action Plan as well as the coming into force of supplementary waste fees of $9.50 per ton;

- The forecast deficit of $36.7 million for the Société de l'assurance automobile du Québec (non-trust portion) has now been eliminated by using the fees paid to the Land Transportation Network Fund;
- A $16.3-million drop in the surplus forecast for the Autorité des marchés financiers, which is mainly due to an extraordinary and non-recurring withdrawal in 2010-2011 to settle the Norbourg case;
- A drop of $15.9 million for the Fonds d'assurance-prêts agricoles et forestiers, mainly due to lower investment revenues than expected and increased expenditures caused by the economic situation;
- A $15.2-million increase in the surplus in the Financing Fund, due to an increase in net profits before interest resulting from a wider gap than expected between the interest rates applicable to short-term loans and the related financing costs, as well as to savings earned between April 1 and December 31, 2010 on issuing costs.

Evolution of Forecast Results of Special Funds and Extrabudgetary Agencies in 2010-2011
(millions de dollars)

	2010-2011		
	Revised Forecasts	Expenditure Budget	**Variation**
Land Transportation Network Fund (FORT)	519.3	-	519.3
Green Fund	2.2	(146.6)	148.8
Société de l'assurance automobile du Québec	-	(36.7)	36.7
Autorité des marchés financiers	(3.7)	12.6	(16.3)
Fonds d'assurance-prêts agricoles et forestiers	(1.3)	14.6	(15.9)
Financing Fund	36.3	21.1	15.2
Other Funds and Agencies	133.5	(39.1)	172.6
Results Before Consolidation Adjustments	**686.3**	**(174.1)**	**860.4**

2. GOVERNMENT RESULTS AFTER THE IMPACT OF CONSOLIDATION IN 2011-2012

For the 2011-2012 fiscal year, the forecast revenue and expenditures of the consolidated entities are $16,315.0 million and $15,172.0 million respectively after consolidation adjustments, for a favourable impact of $1,143.0 million on the government's financial results, a decrease of $66.0 million compared to 2010-2011. This variation breaks down as follows:

- A deterioration of $438.3 million of the forecast results of special funds;
- A deterioration of $104.1 million of the forecast results of extrabudgetary agencies;
- An improvement of $27.0 million in the forecast results of the entities of the health and social services and education networks;
- A $208.0-million improvement in the forecast results of the Generations Fund.

Defined-purpose accounts recorded revenues of $1,696.8 million and expenditures of $1,716.4, an upward variation of $124.8 million.

Impact of Consolidation on Government Results in 2011-2012
(millions of dollars)

	2011-2012			2010-2011[1]	
	Revenues	**Expenditures**	**Net results**	Probable results	**Variation**
Special Funds	11,821.9	11,657.9	164.0	602.3	(438.3)
Extrabudgetary Agencies	18,506.9	18,527.0	(20.1)	84.0	(104.1)
Health and Social Services and Education Networks	36,280.0	36,305.0	(25.0)	(52.0)	27.0
Generations Fund	940.0	-	940.0	732.0	208.0
	67,548.8	**66,489.9**	**1,058.9**	**1,366.3**	**(307.4)**
Defined-purpose Accounts[2]	1,696.8	1,716.4	(19.6)	(144.4)	124.8
Consolidation Adjustments[3, 4]	(52,930.6)	(53,034.3)	103.7	(12.9)	116.6
Impact of Consolidation	**16,315.0**	**15,172.0**	**1,143.0**	**1,209.0**	**(66.0)**

[1] These figures are presented in accordance with the 2011-2012 structure, which takes into account the creation of the Agence du revenu du Québec and the Tax Administration Fund.

[2] The results of defined-purpose accounts are presented on a cash accounting basis, which can lead to significant fluctuations based on cash inflows and outflows. The effect of consolidation adjustments is to adjust these results so that they can be presented on an accrual accounting basis. After consolidation adjustments, the results of the defined-purpose accounts are balanced. The results of defined-purpose accounts are shown in Appendix 5.4.

[3] Consolidation adjustments have the effect of eliminating inter-entity transactions and coordinating accounting policies in use in the consolidated entities with those applied by the government.

[4] Source : Ministère des Finances du Québec.

3. RESULTS OF SPECIAL FUNDS IN 2011-2012

Special funds show a forecast surplus of $164.0 million, before consolidation adjustments for the 2011-2012 fiscal year compared to an anticipated surplus of $602.3 million in 2010-2011. This drop of $438.3 million in relation to 2010-2011 is largely due to the following factors:

- A depreciation of $214.6 million in the net results of the Land Transportation Network Fund (FORT), resulting from a more rapid increase in operating costs generated by investments made under the Québec Infrastructures Plan, the revenues from fuel taxes and vehicle registration fees;
- A forecast deficit of $152.3 million in the Green Fund in 2011-2012 compared to a forecast surplus of $2.2 million in 2010-2011. This deterioration of $154.5 million is mainly due to the faster pace of 2006-2012 Action Plan on Climate Change expenditures;
- A forecast deficit of $32.7 million in the Labour Market Development Fund in 2011-2012 compared to a surplus of $2.8 million in 2010-2011. This $35.5-million deterioration in the net result is due in particular to a drop in federal transfers since the Employment Pact Plus is scheduled to end on March 31, 2011. The deficit will be offset by the accrued surplus;
- The Sports and Physical Activity Development Fund forecasts a $6.1-million surplus in 2011-2012, compared to a forecast $21.8-million surplus in 2010-2011. This deterioration of $15.7 million is due to the accelerated completion pace of various projects financed by the Fund.

Results of Special Funds in 2011-2012[1]
(millions of dollars)

	2011-2012			2010-2011	
	Revenues	**Expenditures**	**Net results**	Probable results	**Variation**
Land Transportation Network Fund	2,820.4	2,515.7	304.7	519.3	(214.6)
Green Fund	359.9	512.2	(152.3)	2.2	(154.5)
Labour Market Development Fund	1,095.1	1,127.8	(32.7)	2.8	(35.5)
Sports and Physical Activity Development Fund	49.5	43.4	6.1	21.8	(15.7)
Other Special Funds[2]	7,497.0	7,458.8	38.2	56.2	(18.0)
Results before consolidation adjustments	**11,821.9**	**11,657.9**	**164.0**	**602.3**	**(438.3)**

[1] The results of special funds are presented in Appendix 5.2.

[2] Including the Prescription Drug Insurance Fund with revenues and expenditures of $3,169.0 million.

4. RESULTS OF EXTRABUDGETARY AGENCIES IN 2011-2012

The forecast results of extrabudgetary agencies show a deficit of $20.1 million, before consolidation adjustments in 2011-2012, compared to an anticipated surplus of $84.0 million in 2010-2011. This $104.1-million deterioration from the forecast net results is largely due to the following factors:

- The Autorité des marchés financiers shows a $21.2-million surplus in 2011-2012, compared to a $3.7-million deficit in 2010-2011. This $24.9-million upswing is due notably to an extraordinary and non-recurring withdrawal in 2010-2011 to settle the Norbourg case;

- The Société de financement des infrastructures locales du Québec shows a deficit of $38.4 million for the 2011-2012 fiscal year compared to a forecast deficit of $18.5 million in 2010-2011. This $19.9-million deterioration in the deficit is essentially due to the payment in 2011-2012 of most of the last subsidies from the Ministère des Transports under the 2005-2010 Investment Plan;

- Financement-Québec shows a surplus of $32.0 million in 2011-2012 compared to a surplus of $48.1 million in 2010-2011. The $16.1-million drop in the forecast results is due to the expected hike in interest rates on liabilities carrying interest at variable rates, and also to the fact that the 2011-2012 forecast does not take into account occasional savings on issuing costs like those recorded in 2010-2011.

Results of Extrabudgetary Agencies in 2011-2012[1]
(millions of dollars)

	2011-2012			2010-2011	
	Revenues	**Expenditures**	**Net results**	Probable results	**Variation**
Autorité des marchés financiers	113.8	92.6	21.2	(3.7)	24.9
Société de financement des infrastructures locales du Québec	758.5	796.9	(38.4)	(18.5)	(19.9)
Financement-Québec	847.0	815.0	32.0	48.1	(16.1)
Other agencies[2]	16,787.6	16,822.5	(34.9)	58.1	(93.0)
Results Before Consolidation Adjustments	**18,506.9**	**18,527.0**	**(20.1)**	**84.0**	**(104.1)**

[1] The results of extrabudgetary agencies are presented in Appendix 5.3.

[2] Including, among others, the Régie de l'assurance maladie du Québec for which revenues and expenditures are $9,312.8 million.

5. RESULTS OF THE GENERATIONS FUND IN 2011-2012

The forecast results of the Generations Fund show a surplus of $940.0 million for the 2011-2012 fiscal year, compared to $732.0 million in 2010-2011, an improvement of $208.0 million, which is mainly due to an increase in forecast investment income.

Results of the Generations Fund in 2011-2012
(millions of dollars)

	2011-2012			2010-2011	
	Revenues	Expenditures	Net results	Probable results	Variation
Generations Fund	940.0	-	940.0	732.0	208.0
Results Before Consolidation Adjustments	**940.0**	**-**	**940.0**	**732.0**	**208.0**

6. RESULTS OF THE HEALTH AND SOCIAL SERVICES AND EDUCATION NETWORKS IN 2011-2012

The forecast results of the health and social services and education networks show a deficit of $25.0 million, before consolidation adjustments for the 2011-2012 fiscal year, compared to a deficit of $52.0 million in 2010-2011, which is an improvement of $27.0 million.

Results in 2011-2012 of the Entities of the Health and Social Services and Education Networks[1]
(millions of dollars)

	2011-2012			2010-2011	
	Revenues	Expenditures	Net results	Probable results	Variation
Health and Social Services and Education Networks	36,280.0	36,305.0	(25.0)	(52.0)	27.0
Results Before Consolidation Adjustments	**36,280.0**	**36,305.0**	**(25.0)**	**(52.0)**	**27.0**

[1] The lists of all entities that are part of the health and social services and education networks can be found in Appendices 5.5 and 5.6.

APPENDIX 5.1

CHANGES IN THE LIST OF CONSOLIDATED ENTITIES AND THE ENTITIES OF THE HEALTH AND SOCIAL SERVICES AND EDUCATION NETWORKS

EXTRABUDGETARY AGENCIES AND SPECIAL FUNDS

Some extrabudgetary agencies and special funds were added or moved to the responsibility of various incumbents, changed status or no longer appear in the Expenditure Budget as compared with 2010-2011.

A plus sign (+) indicates that an extrabudgetary agency or special fund has been added, while a minus sign (-) indicates that an extrabudgetary agency or special fund has been taken away.

Développement durable, Environnement et Parcs

(-) For 2011-2012 the activities of the Société des parcs de sciences naturelles du Québec have been incorporated into those of the Société des établissements de plein air du Québec.

Éducation, Loisir et Sport

(+) Institut national des mines has been added.

Finances

(+) The Tax Administration Fund has been added.

Revenu

(+) For 2011-2012 the Agence du revenu du Québec has been added.

(-) As of 2011-2012, the assets and liabilities of the Collection Fund, the Information Technology Fund of the Ministère du Revenu and the Fonds de fourniture de biens ou de services of the Ministère du Revenu have been transferred to the Agence du revenu du Québec.

Santé et Services sociaux

(+) The Fund to Finance Health and Social Services Institutions and the Institut national d'excellence en santé et en services sociaux have been incorporated.

Transports

(+) The Land Transportation Network Fund (FORT) has been added.

(-) The activities of the Road Network Preservation and Improvement Fund, the Fund for the Contributions of Motorists to Public Transportation and the Fund for the Sale of Goods and Services of the Ministère des Transports have been incorporated into the Land Transportation Network Fund.

APPENDIX 5.1 (cont'd)

DEFINED-PURPOSE ACCOUNTS

Two new specific accounts have been added in relation to the previous year:

- The Account for Support for the Orchestre symphonique de Montréal, created in the Ministère de la Culture, des Communications et de la Condition féminine specifically to allow the Department to account for the amounts disbursed by the Société des loteries du Québec for funding current operations of the Montreal Symphony Orchestra;

- The Account for the Costs of Health Services due to Automobile Accidents has been created in the Ministère de la Santé et des Services sociaux specifically to allow the Department to account for amounts disbursed by the Société de l'assurance automobile du Québec to reimburse such costs.

Twelve new applications to the General Account for Training, Partnership and Organization of Special Events have been approved, in the following portfolios: "Justice", "Développement durable, Environnement et Parcs", "Emploi et Solidarité sociale", "Finances", "Ressources naturelles et Faune", "Santé et Services sociaux", "Sécurité publique" and "Transports".

ENTITIES OF THE HEALTH AND SOCIAL SERVICES AND EDUCATION NETWORKS

One institution in the health and social services network no longer appears in the 2011-2012 Expenditure Budget in relation to the 2010-2011 fiscal year:

- The Centre d'hébergement et de soins de longue durée de St-Andrew-de-Father-Dowd-et-de-St-Margaret have been integrated in the Centre de santé et de services sociaux Cavendish.

APPENDIX 5.2

Results of Special Funds
(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Affaires municipales, Régions et Occupation du territoire				
Regional Development Fund	60.0	60.0	-	-
	60.0	60.0	-	-
Conseil du trésor et Administration gouvernementale				
Disaster Assistance Fund for Certain Areas	0.7	0.7	-	-
Information Technology Fund of the Conseil du trésor	-	-	-	-
Government Air Service Fund	55.7	55.2	0.5	0.8
Fund in respect of the Ice Storm	13.2	13.2	-	-
	69.6	69.1	0.5	0.8
Culture, Communications et Condition féminine				
Québec Cultural Heritage Fund	10.2	25.9	(15.7)	(2.4)
	10.2	25.9	(15.7)	(2.4)
Développement durable, Environnement et Parcs				
Green Fund	359.9	512.2	(152.3)	2.2
	359.9	512.2	(152.3)	2.2
Développement économique, Innovation et Exportation				
Economic Development Fund	348.3	348.3	-	-
	348.3	348.3	-	-
Éducation, Loisir et Sport				
Sports and Physical Activity Development Fund	49.5	43.4	6.1	21.8
	49.5	43.4	6.1	21.8
Emploi et Solidarité sociale				
Assistance Fund for Independent Community Action	24.9	25.4	(0.5)	(2.7)
Labour Market Development Fund	1,095.1	1,127.8	(32.7)	2.8
Fonds de fourniture de biens ou de services du ministère de l'Emploi et de la Solidarité sociale	3.3	3.3	-	0.1
Information Technology Fund of the Ministère de l'Emploi et de la Solidarité sociale	21.0	21.0	-	-
Fonds québécois d'initiatives sociales	22.7	23.6	(0.9)	(1.6)
	1,167.0	1,201.1	(34.1)	(1.4)

APPENDIX 5.2 (cont'd.)

Results of Special Funds

(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Famille et Aînés				
Caregiver Support Fund	15.0	14.9	0.1	0.1
Early Childhood Development Fund	15.0	15.0	-	-
	30.0	29.9	0.1	0.1
Finances				
Financing Fund	1,119.4	1,092.7	26.7	36.4
Horse-Racing Industry Fund	-	-	-	-
Fonds du centre financier de Montréal	1.3	1.1	0.2	0.3
Tax Administration Fund	810.0	810.0	-	-
	1,930.7	1,903.8	26.9	36.7
Justice				
Fonds d'aide aux victimes d'actes criminels	22.0	16.7	5.3	(0.2)
Register Fund of the Ministère de la Justice	27.7	23.0	4.7	6.8
	49.7	39.7	10.0	6.6
Ressources naturelles et Faune				
Land Information Fund	124.4	96.0	28.4	35.4
Geographic Information Fund	5.0	5.3	(0.3)	(0.3)
Mining Heritage Fund	20.0	15.2	4.8	7.1
Forestry Fund	264.2	278.9	(14.7)	(12.6)
	413.6	395.4	18.2	29.6
Revenu				
Fonds de fourniture de biens ou de services du ministère du Revenu	-	-	-	-
Collection Fund	-	-	-	(13.1)
Fonds des pensions alimentaires*	1.2	1.2	-	-
Information Technology Fund of the Ministère du Revenu	-	-	-	-
	1.2	1.2	-	(13.1)
Santé et Services sociaux				
Fund to Finance Health and Social Services Institutions	575.0	575.0	-	-
Prescription Drug Insurance Fund	3,169.0	3,169.0	-	-
Fund for the Promotion of a Healthy Lifestyle	20.0	20.0	-	-
	3,764.0	3,764.0	-	-

APPENDIX 5.2 (cont'd.)

Results of Special Funds
(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Sécurité publique				
Police Services Fund	505.5	505.5	-	-
	505.5	505.5	-	-
Tourisme				
Tourism Partnership Fund	129.0	131.2	(2.2)	(0.5)
	129.0	131.2	(2.2)	(0.5)
Transports				
Rolling Stock Management Fund	103.1	103.1	-	0.5
Highway Safety Fund	10.1	8.3	1.8	2.2
Land Transportation Network Fund	2,820.4	2,515.7	304.7	519.3
	2,933.6	2,627.1	306.5	522.0
Total Before Consolidation Adjustments	**11,821.9**	**11,657.9**	**164.0**	**602.3**

* This fund also performs fiduciary activities outside of the government reporting entity.

Notes: Figures are rounded and the sum of the amounts recorded in respect of each consolidated entities may not correspond to the total.

The results of consolidated entities are presented according to their own accounting policies, i.e. before consolidation adjustments.

APPENDIX 5.3

Results of Extrabudgetary Agencies

(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Affaires municipales, Régions et Occupation du territoire				
Immobilière SHQ	189.8	193.9	(4.1)	(10.3)
Société d'habitation du Québec	831.1	831.1	-	-
Société québécoise d'assainissement des eaux	7.9	7.9	-	-
	1,028.8	1,032.9	(4.1)	(10.3)
Agriculture, Pêcheries et Alimentation				
Fonds d'assurance-prêts agricoles et forestiers	15.4	17.0	(1.6)	(1.3)
La Financière agricole du Québec	796.0	808.3	(12.3)	7.3
	811.4	825.3	(13.9)	6.0
Conseil du trésor et Administration gouvernementale				
Centre de services partagés du Québec	630.0	646.2	(16.2)	(6.0)
Infrastructure Québec	12.4	12.4	-	-
Services Québec	93.7	91.4	2.3	4.9
Société immobilière du Québec	700.5	700.5	-	9.4
	1,436.6	1,450.5	(13.9)	8.3
Conseil exécutif				
Centre de la francophonie des Amériques	2.5	2.8	(0.3)	-
	2.5	2.8	(0.3)	-
Culture, Communications et Condition féminine				
Bibliothèque et Archives nationales du Québec	86.4	86.9	(0.5)	(0.6)
Conseil des arts et des lettres du Québec	88.4	88.6	(0.2)	(0.3)
Conservatoire de musique et d'art dramatique du Québec	31.0	34.5	(3.5)	(3.5)
Musée d'Art contemporain de Montréal	11.3	12.0	(0.7)	(0.2)
Musée de la Civilisation	28.6	29.0	(0.4)	(1.0)
Musée national des beaux-arts du Québec	17.9	19.5	(1.6)	0.3
Régie du cinéma	10.8	5.3	5.5	6.7
Société de développement des entreprises culturelles	69.4	70.1	(0.7)	(1.0)
Société de la Place des Arts de Montréal	36.2	36.4	(0.2)	(0.2)
Société de télédiffusion du Québec	75.3	75.9	(0.6)	(0.4)
Société du Grand Théâtre de Québec	9.6	9.9	(0.3)	(0.5)
	464.9	468.1	(3.2)	(0.7)
Développement durable, Environnement et Parcs				
Société des établissements de plein air du Québec	125.2	123.8	1.4	1.0
Société des parcs de sciences naturelles du Québec	-	-	-	2.2
Société québécoise de récupération et de recyclage	48.6	48.7	(0.1)	3.2
	173.8	172.5	1.3	6.4

APPENDIX 5.3 (cont'd.)

Results of Extrabudgetary Agencies
(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Développement économique, Innovation et Exportation				
Centre de recherche industrielle du Québec	32.4	32.4	-	(0.2)
Fonds de la recherche en santé du Québec	104.0	104.0	-	(2.7)
Fonds québécois de la recherche sur la nature et les technologies	58.5	59.3	(0.8)	(1.8)
Fonds québécois de la recherche sur la société et la culture	52.8	56.1	(3.3)	(1.7)
Investissement Québec	-	-	-	40.7
Société du parc industriel et portuaire de Bécancour	5.5	6.0	(0.5)	(0.9)
	253.2	257.8	(4.6)	33.4
Éducation, Loisir et Sport				
Institut de tourisme et d'hôtellerie du Québec	34.5	34.7	(0.2)	(0.5)
Institut national des mines	0.6	0.6	-	0.1
	35.1	35.3	(0.2)	(0.4)
Emploi et Solidarité sociale				
Cree Hunters and Trappers Income Security Board	25.1	24.8	0.3	0.4
	25.1	24.8	0.3	0.4
Finances				
Autorité des marchés financiers	113.8	92.6	21.2	(3.7)
Bureau de décision et de révision	2.0	2.2	(0.2)	(0.3)
Financement-Québec	847.0	815.0	32.0	48.1
Institut de la statistique du Québec	28.0	30.6	(2.6)	(1.9)
Société de financement des infrastructures locales du Québec	758.5	796.9	(38.4)	(18.5)
	1,749.3	1,737.3	12.0	23.7
Justice				
Commission des services juridiques	132.9	144.0	(11.1)	(13.5)
Fonds d'aide aux recours collectifs	1.1	2.0	(0.9)	1.5
Office des professions du Québec	8.3	9.0	(0.7)	(1.3)
Société québécoise d'information juridique	13.4	13.2	0.2	0.1
Tribunal administratif du Québec	31.3	31.3	-	(0.8)
	187.0	199.5	(12.5)	(14.0)
Relations internationales				
Office Québec-Amériques pour la jeunesse	3.1	3.1	-	(0.2)
Office Québec-Monde pour la jeunesse	4.5	4.5	-	-
	7.6	7.6	-	(0.2)

APPENDIX 5.3 (cont'd.)

Results of Extrabudgetary Agencies

(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Ressources naturelles et Faune				
Agence de l'efficacité énergétique	158.3	158.3	-	-
Fondation de la faune du Québec	7.2	8.1	(0.9)	0.5
Régie de l'énergie	12.9	12.8	0.1	(0.5)
Société de développement de la Baie-James	19.5	19.2	0.3	0.7
Société nationale de l'amiante	-	-	-	-
	197.9	198.4	(0.5)	0.7
Revenu				
Agence du revenu du Québec	1,055.3	1,055.3	-	-
	1,055.3	1,055.3	-	-
Santé et Services sociaux				
Corporation d'hébergement du Québec	178.1	163.1	15.0	16.2
Corporation d'urgences-santé	110.3	110.3	-	-
Héma-Québec	345.9	345.9	-	-
Institut national de santé publique du Québec	34.3	34.3	-	(0.4)
Institut national d'excellence en santé et en services sociaux	12.5	12.5	-	-
Régie de l'assurance maladie du Québec	9,312.8	9,312.8	-	-
	9,993.9	9,978.9	15.0	15.8
Sécurité publique				
École nationale de police du Québec	29.5	29.5	-	0.7
École nationale des pompiers du Québec	2.2	2.2	-	-
	31.7	31.7	-	0.7
Tourisme				
Régie des installations olympiques*	37.5	40.6	(3.1)	(1.1)
Société du Centre des congrès de Québec	21.8	23.8	(2.0)	0.3
Société du Palais des congrès de Montréal	61.3	62.2	(0.9)	(0.2)
	120.6	126.6	(6.0)	(1.0)
Transports				
Agence métropolitaine de transport*	363.6	358.4	5.2	7.7
Commission de la capitale nationale du Québec	17.4	17.4	-	-
Société de l'assurance automobile du Québec	254.4	254.4	-	-
Société des traversiers du Québec	107.0	107.5	(0.5)	(0.5)
	742.4	737.7	4.7	7.2

APPENDIX 5.3 (cont'd.)

Results of Extrabudgetary Agencies
(millions of dollars)

	2011-2012			2010-2011
	Revenues	**Expenditures**	**Results**	Results
Travail				
Commission des lésions professionnelles	56.0	55.9	0.1	0.3
Commission des normes du travail	62.9	60.0	2.9	3.5
Commission des relations du travail	14.8	15.0	(0.2)	0.8
Régie du bâtiment du Québec	56.1	53.0	3.1	3.4
	189.8	183.9	5.9	8.0
Total Before Consolidation Adjustments	**18,506.9**	**18,527.0**	**(20.1)**	**84.0**

* Forecast data correspond to the agency's operating fund.

Notes: Figures are rounded and the sum of the amounts recorded in respect of each consolidated entities may not correspond to the total.

The results of consolidated entities are presented according to their own accounting policies, i.e. before consolidation adjustments.

APPENDIX 5.4

Results of Defined-purpose Accounts

(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Affaires municipales, Régions et Occupation du territoire				
Infrastructure Stimulus Fund	102.2	64.3	37.9	(41.1)
Recreational Infrastructure Program	11.2	8.3	2.9	(2.8)
2000-2007 Infrastructure program	-	-	-	4.8
2005 Infrastructure Program	81.2	84.6	(3.4)	(4.9)
2008 Infrastructure Projects	268.8	258.1	10.7	(66.4)
	463.4	415.3	48.1	(110.4)
Agriculture, Pêcheries et Alimentation				
Financing of certain agriculture and fishing activities	6.1	6.1	-	-
Financing of agricultural risk management programs	175.4	175.4	-	-
Training, partnership and organization of special events	3.3	3.3	-	-
Ad hoc Assistance Program for Standardbred Horse Breeders	0.1	0.1	-	(1.3)
	184.9	184.9	-	(1.3)
Conseil exécutif				
Financing the Youth Action Strategy	-	0.7	(0.7)	(1.7)
Financing the Défi de l'entrepreneuriat jeunesse Strategy	-	-	-	-
Training, partnership and organization of special events	0.1	0.1	-	(0.1)
	0.1	0.8	(0.7)	(1.8)
Culture, Communications et Condition féminine				
Application of the policy of integration of the arts into architecture and the environment of buildings as well as government and public sites	0.9	0.8	0.1	0.4
Financing of autonomous service units - Centre de conservation du Québec	0.8	0.9	(0.1)	(0.2)
Infrastructure Stimulus Fund	31.4	31.4	-	-
Training, partnership and organization of special events	-	-	-	0.4
2008 Infrastructure Projects	6.5	6.5	-	-
Support for the Orchestre symphonique de Montréal	8.5	8.5	-	-
	48.1	48.1	-	0.6

APPENDIX 5.4 (cont'd.)

Results of Defined-purpose Accounts

(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Développement durable, Environnement et Parcs				
Financing of autonomous service units - Centre d'expertise en analyse environnementale du Québec	2.0	3.1	(1.1)	(1.1)
Training, partnership and organization of special events	1.6	1.7	(0.1)	(0.3)
	3.6	4.8	(1.2)	(1.4)
Développement économique, Innovation et Exportation				
Training, partnership and organization of special events	0.5	0.5	-	-
Knowledge Infrastructure Program	31.4	99.4	(68.0)	(2.6)
	31.9	99.9	(68.0)	(2.6)
Éducation, Loisir et Sport				
Minority-language and second-language teaching	26.4	26.4	-	-
Fixed-asset Financing of the Cree and Kativik School Boards and the Naskapi School	8.8	8.8	-	-
Training in federal penitentiaries	4.9	4.9	-	-
Training, partnership and organization of special events	0.8	1.6	(0.8)	(0.6)
Knowledge Infrastructure Program	26.2	26.2	-	-
	67.1	67.9	(0.8)	(0.6)
Emploi et Solidarité sociale				
Financing of pilot projects for elderly workers	13.3	13.3	-	-
Training, partnership and organization of special events	0.1	0.1	-	-
	13.4	13.4	-	-
Finances				
Training, partnership and organization of special events	0.3	0.4	(0.1)	(0.1)
Transfer of revenues from a portion of the federal excise tax on gasoline and the provision of additional money pursuant to Act C-66	463.6	463.6	-	-
	463.9	464.0	(0.1)	(0.1)
Immigration et Communautés culturelles				
Training, partnership and organization of special events	4.1	4.1	-	-
	4.1	4.1	-	-

APPENDIX 5.4 (cont'd.)

Results of Defined-purpose Accounts

(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Justice				
Agreement respecting the Contraventions Act	0.5	0.5	-	-
Canada Investment Fund for the renewal of Legal Aid	-	-	-	-
Training, partnership and organization of special events	-	-	-	-
	0.5	0.5	-	-
Relations internationales				
Training, partnership and organization of special events	0.4	0.4	-	-
	0.4	0.4	-	-
Ressources naturelles et Faune				
Financing measures for protecting, securing, redeveloping and restoring mine sites	-	1.6	(1.6)	0.5
Training, partnership and organization of special events	7.7	7.8	(0.1)	0.1
Access Maintenance for Public Lands having a Wildlife or Multiresource Vocation	-	-	-	-
Mining sector cooperation project with Bolivia	-	-	-	-
	7.7	9.4	(1.7)	0.6
Revenu				
Goods and services tax administration	145.0	145.0	-	-
	145.0	145.0	-	-
Santé et Services sociaux				
Cost of Health Services due to Automobile Accidents	114.9	114.9	-	-
Financing of services to seniors with reduced mobility	30.0	30.0	-	-
Financing of the program to assist pathological gamblers	22.0	22.0	-	-
Training, partnership and organization of special events	10.1	12.1	(2.0)	(0.4)
Implementation of the Informatization Plan of the Health and Social Services Network	40.0	36.5	3.5	(25.0)
	217.0	215.5	1.5	(25.4)

APPENDIX 5.4 (cont'd.)

Results of Defined-purpose Accounts

(millions of dollars)

	2011-2012			2010-2011
	Revenues	Expenditures	Results	Results
Sécurité publique				
Administration of the Firearms Act	6.0	6.0	-	-
Financing of autonomous service units - Laboratoire de sciences judiciaires et de médecine légale	4.7	4.7	-	-
Financing of the joint civil defence program	1.0	0.8	0.2	0.1
Financing of the program to assist pathological gamblers	3.0	3.0	-	-
Training, partnership and organization of special events	5.7	3.1	2.6	(2.0)
	20.4	17.6	2.8	(1.9)
Transports				
Airport fixed-asset financing	5.8	5.8	-	-
Financing of rail infrastructure	9.5	9.5	-	-
Infrastructure Stimulus Fund	6.1	6.1	-	-
Training, partnership and organization of special events	1.3	0.7	0.6	-
2000-2007 Infrastructure program	-	-	-	-
	22.7	22.1	0.6	-
Travail				
Financing of the Bureau d'évaluation médicale	2.7	2.7	-	0.1
	2.7	2.7	-	0.1
Total Before Consolidation Adjustments	**1,696.8**	**1,716.4**	**(19.6)**	**(144.4)**

Notes: Figures are rounded and the sum of the amounts recorded in respect of each consolidated entities may not correspond to the total.

The results of consolidated entities are presented according to their own accounting policies, i.e. before consolidation adjustments.

APPENDIX 5.5

ENTITIES OF THE HEALTH AND SOCIAL SERVICES NETWORK

Agencies and other regional bodies[1]:
Agence de la santé et des services sociaux de Chaudière-Appalaches
Agence de la santé et des services sociaux de l'Abitibi-Témiscamingue
Agence de la santé et des services sociaux de l'Estrie
Agence de la santé et des services sociaux de l'Outaouais
Agence de la santé et des services sociaux de la Capitale-Nationale
Agence de la santé et des services sociaux de la Côte-Nord
Agence de la santé et des services sociaux de la Gaspésie–Îles-de-la-Madeleine
Agence de la santé et des services sociaux de la Mauricie et du Centre-du-Québec
Agence de la santé et des services sociaux de la Montérégie
Agence de la santé et des services sociaux de Lanaudière
Agence de la santé et des services sociaux de Laval
Agence de la santé et des services sociaux de Montréal
Agence de la santé et des services sociaux des Laurentides
Agence de la santé et des services sociaux du Bas-Saint-Laurent
Agence de la santé et des services sociaux du Saguenay–Lac-St-Jean
Centre régional de santé et de services sociaux de la Baie-James[2]
Conseil Cri de la santé et des services sociaux de la Baie James[2]
Régie régionale de la santé et des services sociaux du Nunavik

Publics institutions[1]:
Centre André-Boudreau
Centre d'accueil Dixville inc.
Centre de protection et de réadaptation de la Côte-Nord
Centre de réadaptation Constance-Lethbridge
Centre de réadaptation de l'Ouest de Montréal
Centre de réadaptation de la Gaspésie (Le)
Centre de réadaptation en alcoolisme et toxicomanie de Chaudière-Appalaches
Centre de réadaptation en déficience intellectuelle (CRDI) Chaudière-Appalaches
Centre de réadaptation en déficience intellectuelle de la Mauricie et du Centre-du-Québec
Centre de réadaptation en déficience intellectuelle de Québec
Centre de réadaptation en déficience intellectuelle du Bas-Saint-Laurent
Centre de réadaptation en déficience intellectuelle du Saguenay–Lac-Saint-Jean
Centre de réadaptation en déficience intellectuelle Gabrielle-Major
Centre de réadaptation en déficience intellectuelle Montérégie-Est
Centre de réadaptation en déficience physique Chaudière-Appalaches
Centre de réadaptation en déficience physique le Bouclier
Centre de réadaptation Estrie inc.
Centre de réadaptation Interval
Centre de réadaptation La Maison
Centre de réadaptation la Myriade
Centre de réadaptation Lisette-Dupras
Centre de réadaptation Ubald-Villeneuve
Centre de santé et de services sociaux Cavendish

[1] These entities of the health and social services network have a fiscal year ending March 31.
[2] These entities act as agencies and public institutions.

APPENDIX 5.5 (cont'd)

ENTITIES OF THE HEALTH AND SOCIAL SERVICES NETWORK

Public institutions (cont'd):
Centre de santé et de services sociaux Champlain
Centre de santé et de services sociaux Cléophas-Claveau
Centre de santé et de services sociaux d'Ahuntsic et Montréal-Nord
Centre de santé et de services sociaux d'Antoine-Labelle
Centre de santé et de services sociaux d'Argenteuil
Centre de santé et de services sociaux d'Arthabaska-et-de-l'Érable
Centre de santé et de services sociaux de Beauce
Centre de santé et de services sociaux de Bécancour–Nicolet-Yamaska
Centre de santé et de services sociaux de Bordeaux-Cartierville–Saint-Laurent
Centre de santé et de services sociaux de Charlevoix
Centre de santé et de services sociaux de Chicoutimi
Centre de santé et de services sociaux de Dorval-Lachine-Lasalle
Centre de santé et de services sociaux de Gatineau
Centre de santé et de services sociaux de Jonquière
Centre de santé et de services sociaux de Kamouraska
Centre de santé et de services sociaux de l'Énergie
Centre de santé et de services sociaux de l'Hématite
Centre de santé et de services sociaux de l'Ouest-de-l'Île
Centre de santé et de services sociaux de la Baie-des-Chaleurs
Centre de santé et de services sociaux de la Basse-Côte-Nord
Centre de santé et de services sociaux de la Côte-de-Gaspé
Centre de santé et de services sociaux de la Haute-Côte-Nord
Centre de santé et de services sociaux de la Haute-Gaspésie
Centre de santé et de services sociaux de la Haute-Yamaska
Centre de santé et de services sociaux de la Matapédia
Centre de santé et de services sociaux de la Minganie
Centre de santé et de services sociaux de la Mitis
Centre de santé et de services sociaux de la Montagne
Centre de santé et de services sociaux de la MRC-de-Coaticook
Centre de santé et de services sociaux de la Pointe-de-l'Île
Centre de santé et de services sociaux de la région de Thetford
Centre de santé et de services sociaux de la Vallée-de-l'Or
Centre de santé et de services sociaux de la Vallée-de-la-Batiscan
Centre de santé et de services sociaux de la Vallée-de-la-Gatineau
Centre de santé et de services sociaux de la Vieille-Capitale
Centre de santé et de services sociaux de Lac-Saint-Jean-Est
Centre de santé et de services sociaux de Laval
Centre de santé et de services sociaux de Manicouagan
Centre de santé et de services sociaux de Maskinongé
Centre de santé et de services sociaux de Matane
Centre de santé et de services sociaux de Memphrémagog
Centre de santé et de services sociaux de Montmagny-L'Islet
Centre de santé et de services sociaux de Papineau
Centre de santé et de services sociaux de Port-Cartier
Centre de santé et de services sociaux de Portneuf
Centre de santé et de services sociaux de Québec-Nord
Centre de santé et de services sociaux de Rimouski-Neigette

APPENDIX 5.5 (cont'd)

ENTITIES OF THE HEALTH AND SOCIAL SERVICES NETWORK

Public institutions (cont'd):
Centre de santé et de services sociaux de Rivière-du-Loup
Centre de santé et de services sociaux de Rouyn-Noranda
Centre de santé et de services sociaux de Saint-Jérôme
Centre de santé et de services sociaux de Saint-Léonard et Saint-Michel
Centre de santé et de services sociaux de Sept-Îles
Centre de santé et de services sociaux de Témiscaming-et-de-Kipawa
Centre de santé et de services sociaux de Témiscouata
Centre de santé et de services sociaux de Thérèse De Blainville
Centre de santé et de services sociaux de Trois-Rivières
Centre de santé et de services sociaux de Vaudreuil-Soulanges
Centre de santé et de services sociaux des Aurores-Boréales
Centre de santé et de services sociaux des Basques
Centre de santé et de services sociaux des Collines
Centre de santé et de services sociaux des Etchemins
Centre de santé et de services sociaux des Îles
Centre de santé et de services sociaux des Pays-d'en-Haut
Centre de santé et de services sociaux des Sommets
Centre de santé et de services sociaux des Sources
Centre de santé et de services sociaux Domaine-du-Roy
Centre de santé et de services sociaux Drummond
Centre de santé et de services sociaux du Cœur-de-l'Île
Centre de santé et de services sociaux du Grand Littoral
Centre de santé et de services sociaux du Granit
Centre de santé et de services sociaux du Haut-Saint-François
Centre de santé et de services sociaux du Haut-Saint-Laurent
Centre de santé et de services sociaux du Haut-Saint-Maurice
Centre de santé et de services sociaux du Lac-des-Deux-Montagnes
Centre de santé et de services sociaux du Lac-Témiscamingue
Centre de santé et de services sociaux du Nord de Lanaudière
Centre de santé et de services sociaux du Pontiac
Centre de santé et de services sociaux du Rocher-Percé
Centre de santé et de services sociaux du Sud de Lanaudière
Centre de santé et de services sociaux du Sud-Ouest–Verdun
Centre de santé et de services sociaux du Suroît
Centre de santé et de services sociaux du Val-Saint-François
Centre de santé et de services sociaux Haut-Richelieu–Rouville
Centre de santé et de services sociaux – Institut Universitaire de gériatrie de Sherbrooke
Centre de santé et de services sociaux Jardins-Roussillon
Centre de santé et de services sociaux Jeanne-Mance
Centre de santé et de services sociaux la Pommeraie
Centre de santé et de services sociaux les Eskers de l'Abitibi
Centre de santé et de services sociaux Lucille-Teasdale
Centre de santé et de services sociaux Maria-Chapdelaine
Centre de santé et de services sociaux Pierre-Boucher
Centre de santé et de services sociaux Pierre-De Saurel
Centre de santé et de services sociaux Richelieu-Yamaska

APPENDIX 5.5 (cont'd)

ENTITIES OF THE HEALTH AND SOCIAL SERVICES NETWORK

Public institutions (cont'd):
Centre de santé Inuulitsivik
Centre de santé Tulattavik de l'Ungava
Centre de soins prolongés Grace Dart / Grace Dart Extended Care Centre
Centre Dollard-Cormier (Le)
Centre du Florès
Centre hospitalier affilié universitaire de Québec
Centre hospitalier de l'Université de Montréal
Centre hospitalier de St. Mary
Centre hospitalier régional de Trois-Rivières
Centre hospitalier universitaire de Québec
Centre hospitalier universitaire de Sherbrooke
Centre hospitalier universitaire Sainte-Justine
Centre Jean-Patrice-Chiasson/Maison Saint-Georges (Le)
Centre Jellinek
Centre jeunesse Chaudière-Appalaches
Centre jeunesse de l'Abitibi-Témiscamingue (C.J.A.T.)
Centre jeunesse de l'Estrie
Centre jeunesse de la Mauricie et du Centre-du-Québec (Le)
Centre jeunesse de la Montérégie
Centre jeunesse de Laval
Centre jeunesse de Montréal (Le)
Centre jeunesse de Québec
Centre jeunesse des Laurentides
Centre jeunesse du Bas-St-Laurent
Centre jeunesse du Saguenay–Lac-Saint-Jean (Le)
Centre jeunesse Gaspésie/Les Îles
Centre Miriam
Centre Montérégien de réadaptation
Centre Normand
Centre Notre-Dame de l'Enfant (Sherbrooke) Inc.
Centre régional de réadaptation La Ressourse
Centre régional de santé et de services sociaux de la Baie-James[2]
Centre universitaire de santé McGill
Centres de la jeunesse et de la famille Batshaw (Les)
Centres jeunesse de Lanaudière (Les)
Centres jeunesses de l'Outaouais (Les)
CHSLD Juif de Montréal
Clair Foyer Inc.
CLSC Naskapi
Conseil Cri de la santé et des services sociaux de la Baie James[2]
Corporation du Centre de réadaptation Lucie-Bruneau (La)
Corporation du Centre hospitalier gériatrique Maimonides (La)
Corporation du Centre hospitalier Pierre-Janet (La)
CRDI Normand-Laramée

[2] These entities act as agencies and public institutions.

APPENDIX 5.5 (cont'd)

ENTITIES OF THE HEALTH AND SOCIAL SERVICES NETWORK

Public institutions (cont'd):
Domrémy Mauricie/Centre-du-Québec
Hôpital Catherine Booth de l'Armée du Salut
Hôpital Charles Lemoyne
Hôpital Chinois de Montréal (1963) (L')
Hôpital Douglas
Hôpital du Sacré-Cœur de Montréal
Hôpital Général Juif Sir Mortimer B. Davis (L')
Hôpital Jeffery Hale - Saint Brigid's
Hôpital Juif de réadaptation
Hôpital Louis-H. Lafontaine
Hôpital Maisonneuve-Rosemont
Hôpital Mont-Sinaï
Hôpital Rivière-des-Prairies
Hôpital Santa Cabrini
Hôtel-Dieu de Lévis
Institut Canadien-Polonais du Bien-être Inc.
Institut de cardiologie de Montréal
Institut de réadaptation en déficience physique de Québec
Institut de réadaptation Gingras-Lyndsay-de-Montréal
Institut Nazareth et Louis-Braille
Institut Philippe-Pinel de Montréal
Institut Raymond-Dewar
Institut universitaire de cardiologie et de pneumologie de Québec
Institut universitaire de gériatrie de Montréal
Institut universitaire en santé mentale de Québec
La Résidence de Lachute
Pavillon du Parc Inc.
Services de réadaptation du Sud-Ouest et du Renfort
Services de réadaptation L'Intégrale
Virage, Réadaptation en alcoolisme et toxicomanie (Le)

APPENDIX 5.6

ENTITIES OF THE EDUCATION NETWORKS[1]

School Boards:
Commission scolaire au Cœur-des-Vallées
Commission scolaire Central Québec
Commission scolaire Crie
Commission scolaire de Charlevoix
Commission scolaire de Kamouraska–Rivière-du-Loup
Commission scolaire de l'Estuaire
Commission scolaire de l'Énergie
Commission scolaire de l'Or-et-des-Bois
Commission scolaire de la Baie-James
Commission scolaire de la Beauce-Etchemin
Commission scolaire de la Capitale
Commission scolaire de la Côte-du-Sud
Commission scolaire De La Jonquière
Commission scolaire de la Moyenne-Côte-Nord
Commission scolaire de la Pointe-de-l'Île
Commission scolaire de la Région-de-Sherbrooke
Commission scolaire de la Riveraine
Commission scolaire de la Rivière-du-Nord
Commission scolaire de la Seigneurie-des-Mille-Îles
Commission scolaire de la Vallée-des-Tisserands
Commission scolaire de Laval
Commission scolaire de Montréal
Commission scolaire de Portneuf
Commission scolaire de Rouyn-Noranda
Commission scolaire de Saint-Hyacinthe
Commission scolaire de Sorel-Tracy
Commission scolaire des Affluents
Commission scolaire des Appalaches
Commission scolaire des Bois-Francs
Commission scolaire des Chênes
Commission scolaire des Chic-Chocs
Commission scolaire des Découvreurs
Commission scolaire des Draveurs
Commission scolaire des Grandes-Seigneuries
Commission scolaire des Hautes-Rivières
Commission scolaire des Hauts-Bois-de-l'Outaouais
Commission scolaire des Hauts-Cantons
Commission scolaire des Îles
Commission scolaire des Laurentides
Commission scolaire des Monts-et-Marées
Commission scolaire des Navigateurs
Commission scolaire des Patriotes
Commission scolaire des Phares
Commission scolaire des Portages-de-l'Outaouais

[1] The entities of the education networks have a fiscal year that ends on June 30, except for the Université du Québec and its constituents, for which the fiscal year ends on May 31.

APPENDIX 5.6 (cont'd)

ENTITIES OF THE EDUCATION NETWORKS

School Boards (cont'd):
Commission scolaire des Premières-Seigneuries
Commission scolaire des Rives-du-Saguenay
Commission scolaire des Samares
Commission scolaire des Sommets
Commission scolaire des Trois-Lacs
Commission scolaire du Chemin-du-Roy
Commission scolaire du Fer
Commission scolaire du Fleuve-et-des-Lacs
Commission scolaire du Lac-Abitibi
Commission scolaire du Lac-Saint-Jean
Commission scolaire du Lac-Témiscamingue
Commission scolaire du Littoral
Commission scolaire du Pays-des-Bleuets
Commission scolaire du Val-des-Cerfs
Commission scolaire Eastern Shores
Commission scolaire Eastern Townships
Commission scolaire English-Montréal
Commission scolaire Harricana
Commission scolaire Kativik
Commission scolaire Lester-B.-Pearson
Commission scolaire Marguerite-Bourgeoys
Commission scolaire Marie-Victorin
Commission scolaire New Frontiers
Commission scolaire Pierre-Neveu
Commission scolaire René-Lévesque
Commission scolaire Riverside
Commission scolaire Sir-Wilfrid-Laurier
Commission scolaire Western Québec

Comité de gestion de la taxe scolaire de l'île de Montréal

General and vocational colleges (CEGEPs):

Cégep André-Laurendeau
Cégep Beauce-Appalaches
Cégep d'Ahuntsic
Cégep de Baie-Comeau
Cégep de Bois-de-Boulogne
Cégep de Chicoutimi
Cégep de Drummondville
Cégep de Granby – Haute-Yamaska
Cégep de Jonquière
Cégep de l'Abitibi-Témiscamingue
Cégep de l'Outaouais
Cégep de la Gaspésie et des Îles
Cégep de La Pocatière
Cégep de Lévis-Lauzon
Cégep de Limoilou

APPENDIX 5.6 (cont'd)

ENTITIES OF THE EDUCATION NETWORKS

General and vocational colleges (CEGEPs) (cont'd):
Cégep de Maisonneuve
Cégep de Matane
Cégep de Rimouski
Cégep de Rivière-du-Loup
Cégep de Rosemont
Cégep de Saint-Jérôme
Cégep de Saint-Laurent
Cégep de Sainte-Foy
Cégep de Sept-Îles
Cégep de Sherbrooke
Cégep de Sorel-Tracy
Cégep de St-Félicien
Cégep de St-Hyacinthe
Cégep de Thetford
Cégep de Trois-Rivières
Cégep de Valleyfield
Cégep de Victoriaville
Cégep du Vieux Montréal
Cégep Édouard Montpetit
Cégep François-Xavier Garneau
Cégep Gérald-Godin
Cégep John Abbott
Cégep Lionel Groulx
Cégep Marie-Victorin
Cégep Montmorency
Cégep régional de Lanaudière
Cégep Saint-Jean-sur-Richelieu
Champlain Regional College of General and Vocational Education
Collège d'Alma
Collège Dawson
Collège Héritage
Collège Shawinigan
Vanier College of General and Vocational Education

Université du Québec and its constituent universities:
École de technologie supérieure
École nationale d'administration publique
Institut national de la recherche scientifique
Université du Québec
Université du Québec à Chicoutimi
Université du Québec à Montréal
Université du Québec à Rimouski
Université du Québec à Trois-Rivières
Université du Québec en Abitibi-Témiscamingue
Université du Québec en Outaouais

Source: Contrôleur des finances, Appendix 3 – Organizations in the Government's health and social services and education networks , preliminary version of February 16, 2011.

APPENDIX 5.7

GOVERNMENT CORPORATIONS ACCOUNTED FOR AT THEIR CONSOLIDATION VALUE

Hydro-Québec*

Loto-Québec

Société des alcools du Québec

Société générale de financement du Québec

Société Innovatech du Grand Montréal

Société Innovatech du sud du Québec

Société Innovatech Québec et Chaudière-Appalaches

Société Innovatech Régions ressources

* This Corporation also performs fiduciary activities outside of the government reporting entity.

IN BRIEF

CHAPTER 6
FORECAST PUBLIC INVESTMENTS IN FIXED ASSETS IN 2011-2012

For the **2011-2012 fiscal year**, investments under the 2010-2015 Québec Infrastructures Plan (QIP) will amount to $9,553.8 million, including:

- $8,309.5 million for asset maintenance and for public infrastructure improvement and replacement, which breaks down as follows: $4,413.2 million for asset maintenance, $1,532.1 million for elimination of the cumulative maintenance deficit and $2,364.2 million for improvement and replacement;

- $1,244.3 million for the completion of projects begun before the 2007-2012 QIP.

In 2011-2012, total public investments, including $1,494.7 million in investments, above and beyond the QIP, of the Departments, budget-funded agencies, extra-budgetary agencies and special funds, will reach $11,048.5 million, an increase of $741.2 million over the previous year.

The **2010-2015 QIP** will entail investment of $44,555.8 million over five years, including:

- $39,811.4 million for asset maintenance, including the elimination of the cumulative maintenance deficit, and for infrastructure improvement and replacement:

  — Of this amount, $28,611.3 million, or 71.9%, will be allocated to asset maintenance and the maintenance deficit, which is scheduled for elimination over a period of 15 years in the Act to promote the maintenance and renewal of public infrastructure (R.S.Q., c. M-1.2).

- $4,744.4 million for completion of projects begun before the 2007-2012 QIP, such as:

  — Autoroutes 20, 30, 35 and 50 and Highways 73/175, 73/173 and 185;

  — Public transportation projects, including the Northeast corridor commuter train in the Montréal region and the Rapibus project of the Société de transport de l'Outaouais;

  — Addition of beds in residential and long-term care centres (CHSLDs).

This represents an increase of $1,916.4 million, or 4.5%, compared to the QIP for 2009-2014.

1. FORECAST TOTAL PUBLIC INVESTMENTS IN 2011-2012

Forecast total public investments in 2011-2012 include:

- The investments of the 2010-2015 Québec Infrastructures Plan (QIP), as presented in Appendix 6.1, namely those of the following sectors:
  - The road network, for which the investments are carried out by the Land Transportation Network Fund (FORT);
  - Public transportation, including the investments of the Agence métropolitaine de transport (AMT) funded by FORT;
  - Marine infrastructure, for which the work is carried out by the Société des traversiers du Québec (STQ);
  - The health and social services network;
  - The education networks;
  - Cultural institutions and government cultural corporations and agencies;
  - Municipal infrastructure;
  - Social housing, for which the investments are carried out or funded by the Société d'habitation du Québec (SHQ);
  - Research;
  - Detention centres, Sûreté du Québec (SQ) police stations, and courthouses, for which the investments are carried out by the Société immobilière du Québec (SIQ) on behalf of the Ministère de la Justice and the Ministère de la Sécurité publique;
  - Laboratories and research centres of the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation, campuses of the Institut de technologie agroalimentaire (La Pocatière and Saint-Hyacinthe), public dams for which the Ministère du Développement durable, de l'Environnement et des Parcs is responsible, and forest roads for which the Ministère des Ressources naturelles et de la Faune is responsible.
- Investments of extrabudgetary agencies[1];
- Investments of special funds, other than those for the road network that comprise most of FORT;
- Investments of departments and budget-funded agencies[2].

[1] Not including investments of the Corporation d'hébergement du Québec (CHQ) for the health and social services sector, which are included in the QIP.

[2] Not including investments of the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation for the Institut de technologie agroalimentaire, laboratories and research centres, which are included in the QIP, and those associated with public dams of the Ministère du Développement durable, de l'Environnement et des Parcs and forest roads of the Ministère des Ressources naturelles et de la Faune.

BREAKDOWN OF PUBLIC INVESTMENTS IN 2011-2012

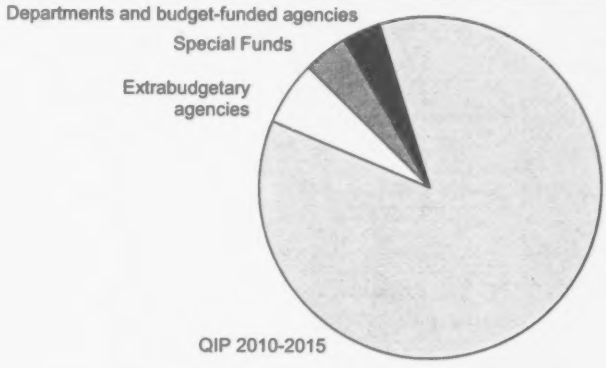
In 2011-2012, the total forecast public investments are $11,048.5 million, up $741.2 million from the 2010-2011 fiscal year, an increase of 7.2%.

The forecast investments under the QIP for 2011-2012 are $9,553.8 million, including $1,244.3 million in investments for project completion[1], representing 86.5% of total investments.

The $1,494.7 million balance of the investments is allocated among:

- Extra-budgetary agencies, $640.4 million;
- Special Funds, $446.4 million;
- Departments and budget agencies, $407.9 million.

Breakdown of forecast public investments in 2011-2012
(contribution of the Gouvernement du Québec, millions of dollars and percentage)



	$ million	%
QIP 2010-2015	9,553.8	86.5
Extrabudgetary agencies[1]	640.4	5.8
Special Funds[2]	446.4	4.0
Departments and budget-funded agencies[3]	407.9	3.7
Total	**11,048.5**	**100.0**

[1] Including the AMT investments not funded by FORT; not including the investments of the CHQ, the SHQ, government cultural corporations and agencies, and the STQ, which are included in the QIP. The SIQ investments carried out on behalf of the Ministère de la Justice (courthouses) and the Ministère de la Sécurité publique (detention centres and SQ police stations) are also not included.

[2] Not including investments of FORT which are included in the QIP.

[3] Not including a portion of the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation, the Ministère du Développement durable, de l'Environnement et des Parcs and investments of the Ministère des Ressources naturelles et de la Faune which are included in the QIP.

[1] The infrastructure completion investment projects begun before the implementation of the 2007-2012 QIP, announced in October 2007.

ALLOCATION OF PUBLIC INVESTMENTS BY CATEGORY

The QIP investments of $9,553.8 million for 2011-2012 represent an increase of $618.9 million, which is broken down as follows:

- $5,945.3 million for asset maintenance, which corresponds to an increase of $501.3 million compared to 2010-2011. It includes $1,532.1 million to eliminate the maintenance deficit;
- $3,608.5 million for asset improvement, replacement and completion, which is $117.6 million more than in 2010-2011. It is broken down as follows: $570.7 million for new initiatives and $1,244.3 million to complete projects started before the 2007-2012 QIP.

To this is added another $1,494.7 million in investments carried out by departments and budget-funded agencies, extra-budgetary agencies and special funds.

Evolution of public investments in fixed assets
(contribution of the Gouvernement du Québec, millions of dollars)

	2007-2008[R]	2008-2009[R]	2009-2010[R]	2010-2011	2011-2012
Asset maintenance[1]	3,074.6	4,482.8	4,986.6	5,444.0	5,945.3
Improvement and replacement[2]	1,939.7	2,155.9	2,824.4	3,490.9	3,608.5
Total QIP	5,014,3	6,638.7	7,811.0	8,934.9	9,553.8
Departments and budget-funded agencies[3], extrabudgetary agencies[4] and Special Funds[5]	833.0	1,035.4	1,280.2	1,372.4	1,494.7
Total	**5,847.3**	**7,674.1**	**9,091.2**	**10,307.3**	**11,048.5**

[R] Completed.

[1] Including the elimination of the cumulated maintenance deficit.

[2] Including completion.

[3] Not including the portion of the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation, the Ministère du Développement durable, de l'Environnement et des Parcs and investments of the Ministère des Ressources naturelles et de la Faune which are included in the QIP.

[4] Including the AMT investments not funded by FORT; not including investments of the CHQ, SHQ, government cultural corporations and agencies and the STQ, which are included in the QIP. The SIQ investments carried out on behalf of the Ministère de la Justice (courthouses) and the Ministère de la Sécurité publique (detention centres and SQ police stations) are also excluded. All investments not included in this heading are integrated into the QIP.

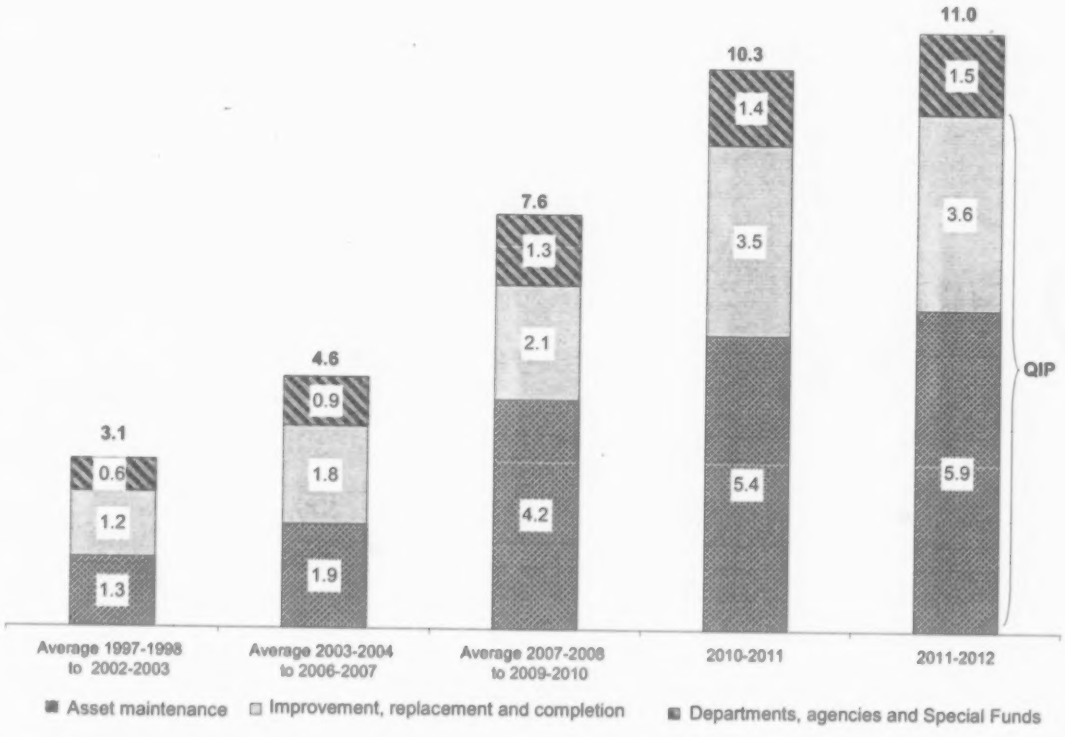
[5] Not including a portion of FORT investments which are part of the QIP.

EVOLUTION OF PUBLIC INVESTMENTS IN FIXED ASSETS

In 2011-2012, total public investments amount to $11,048.5 million, over triple the average annual investment level of $3,065.3 million between 1997-1998 and 2002-2003.

For asset maintenance, the investments will be $5,945.3 million in 2011-2012, over four times the average annual investments for the period between 1997-1998 and 2002-2003.

Evolution of public investments in fixed assets
(contribution of the Gouvernement du Québec, billions of dollars)

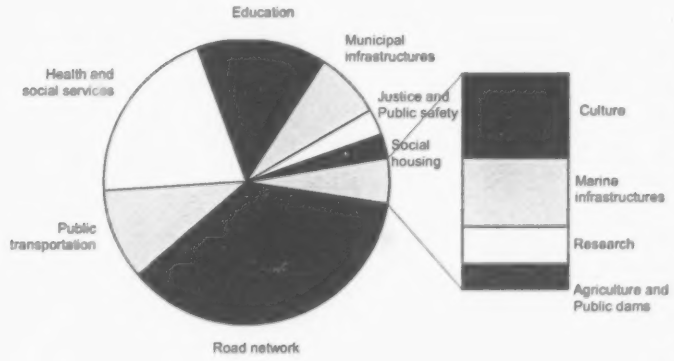


2. FORECAST INVESTMENTS IN THE QUÉBEC INFRASTRUCTURES PLAN FOR 2011-2012

INVESTMENTS BY SECTOR

The forecast investments in the QIP are funded by long-term borrowing contracted by the entities concerned. Essentially, the government's contribution takes the form of a total or partial takeover of their debt service. However, in the case of courthouses, SQ police stations, and detention centres, the government contribution translates into rents paid to the SIQ.

Forecast public investments by sector in the 2011-2012 QIP
(contribution by the Gouvernement du Québec, millions of dollars and percentage)



	$ million	%
Road network[1]	3,457.2	36.2
Public transportation	984.8	10.3
Health and social services	1,961.6	20.5
Education	1,405.9	14.7
Municipal infrastructures	710.8	7.4
Justice and Public safety	299.7	3.1
Social housing	264.9	2.8
Culture	185.5	1.9
Marine infrastructures	147.3	1.6
Research	80.8	0.9
Agriculture and Public dams	55.3	0.6
Total	**9,553.8**	**100.0**

[1] Including $60.9 million to augment the Northern Plan forecast in the 2011-2012 Budget submission.

Road network

In 2011-2012, the forecast investments by FORT, including public-private partnerships, are $3,457.2 million[1] compared to $3,416.5 million in 2010-2011, an increase of $40.7 million.

Envelopes totalling $2,309.9 million are forecast for asset maintenance and elimination of the roadway and structure maintenance deficit. $1,147.3 million[1] is forecast for major road projects, particularly for work on Autoroutes 20, 30, 35 and 50, Highways 73/175, 73/173 and 185, as well as the Northern Plan.

[1] Including $60.9 million to augment the Northern Plan forecast in the 2011-2012 Budget submission.

These amounts only represent the investments assumed by Québec. The contribution of the other partners must be added to these amounts, particularly the federal government contribution related to the agreements made with Québec, such as the Infrastructure Stimulus Fund (ISF), which forecasts investments of nearly $74.0 million by October 31, 2011.

Public transportation

In 2011-2012, the forecast investments are $984.8 million for some AMT projects such as the Northeast Corridor commuter train in the Montréal region, replacement of the Montréal metro cars and Phases 2 and 3 of the metro systems renovation program; some of this money is also for the Rapibus project of the Société de transport de l'Outaouais (STO).

In addition to the QIP forecast investments, $175.0 million is available from the Société de financement des infrastructures locales du Québec (SoFIL) for public transportation agencies to finance investments in 2011-2012.

$170.0 million will also be available from the Green Fund to public transportation agencies in 2011-2012 to fund expenditures aimed at improving public transportation services.

In total, $1,329.8 million is forecast for public transportation in 2011-2012.

Marine infrastructures

The forecast expenditures in 2011-2012 are $147.3 million. In particular, the government is investing in the replacement of certain vessels of the STQ fleet, including $48.0 million for the N.M. Camille-Marcoux, $28.0 million for the N.M. Lucien-L. and $28.0 million for the N.M. Radisson.

Health and social services

In 2011-2012, the forecast aggregate investments in the health and social services sector are $1,961.6 million, including $1,070.0 million for asset maintenance. The government plans to invest especially in upgrades for the Centre hospitalier de l'Université de Montréal (CHUM), the McGill University Health Centre (MUHC), the Sir Mortimer B. Davis Jewish General Hospital, the Centre hospitalier universitaire de Québec (CHUQ) (Hôtel-Dieu de Québec), the Centre hospitalier universitaire Sainte-Justine, the emergency room at Hôpital Maisonneuve-Rosemont, emergency rooms throughout the network, and more new beds in residential and long-term care centres (CHSLD).

Education

Forecast investments in this sector are $1,405.9 million in 2011-2012, 78.0% of which will be allocated to asset maintenance and elimination of the maintenance deficit.

In 2011-2012, the government is adding $276.3 million for the start-up of new projects, including the expansion, redevelopment and construction of educational institutions; this money will help meet some of the needs resulting from reducing teacher-student ratios under the Action Strategy on Student Retention and Student Success.

The federal contribution of almost $30.0 million related to the Knowledge Infrastructure Program and the Recreational Infrastructure Program for projects completed by October 31, 2011, is in addition to the amounts invested by Québec.

Culture

The forecast investments in 2011-2012 are $185.5 million. $120.2 million is being invested in cultural facilities, heritage buildings, the religious heritage and the Book and Reading Policy, including $109.2 million in asset maintenance. Government cultural corporations and agencies plan investments of $65.3 million, of which $47.0 million is earmarked for maintenance of their assets.

Cultural facilities benefit in particular from a federal contribution of close to $8.0 million from the ISF program for projects completed by October 31, 2011.

Municipal infrastructures

In 2011-2012, the forecast investments are $710.8 million. Of this amount, $520.2 million is forecast for work relating to maintenance and upgrading to standard of water infrastructures such as drinking water and wastewater treatment plants and underground networks, as well as $190.6 million for infrastructures supporting local and regional development. These amounts only represent investments assumed by Québec.

The sector also benefits from federal contributions of $604.8 million and contributions of $630.7 million from municipal partners.

Social housing

In 2011-2012, forecast investments in this sector are $264.9 million. $100.6 million is forecast for asset maintenance and elimination of the maintenance deficit and $164.3 million to continue the production of new social housing.

Research

Forecast investments in 2011-2012 total $80.8 million. Québec is continuing the commitments arising from the Québec Research and Innovation Strategy, which is intended to support the Research Assistance Program and projects co-funded with the Canada Foundation for Innovation.

Justice and Public safety

In 2011-2012, the forecast investments of the SIQ in this sector are $299.7 million, an increase of $132.9 million over 2010-2011. $136.0 million will be invested for construction of four detention centres. $12.4 million is also allocated for construction of SQ police stations in Mont-Laurier, Sainte-Agathe and Radisson.

Other sectors

- Investments for agricultural infrastructures will be $17.1 million in 2011-2012;
- Investments for upgrading public dams will be $38.2 million in 2011-2012.

PRIORITY MAINTAINED FOR ASSET MAINTENANCE

In 2011-2012, the government is continuing its efforts to maintain and renew public infrastructures, while giving special importance to elimination of the maintenance deficit.

The forecast investments in asset maintenance are up from an average of $1,904.8 million in the 2003-2004 to 2006-2007 period to $5,945.3 million in 2011-2012, an annual growth rate of 19.1%. Of this amount, $1,532.1 million is allocated to elimination of the maintenance deficit over 15 years, as stipulated in the Act to promote the maintenance and renewal of public infrastructures.

The asset maintenance envelope includes $2,309.9 million for road network preservation and improvement, $1,070.0 million for the health and social services network and $1,096.1 million for the education networks.

Evolution of investments in asset maintenance and elimination of the QIP cumulative deficit by sector
(contribution by the Gouvernement du Québec, millions of dollars)

	Average 2003-2004 to 2006-2007[R]	2007-2008[R]	2008-2009[R]	2009-2010[R]	2010-2011	2011-2012
Road network	827.0	1,162.1	1,766.0	1,981.6	2,078.5	2,309.9
Public transportation	119.6	217.9	226.4	285.3	289.4	560.1
Health and social services	339.9	441.2	879.2	1,029.9	1,080.7	1,070.0[1]
Education	488.2	820.2	1,064.7	1,087.4	1,076.6	1,096.1
Culture	93.7	76.8	146.8	157.4	234.5	156.2
Municipal infrastructures	-	294.7	261.0	289.2	487.4	520.2
Social housing	26.2	36.8	102.3	105.3	96.6	100.6
Justice and Public safety	10.2	24.1	32.8	29.2	67.0	81.6
Agriculture and Public dams	-	0.8	3.6	21.3	33.3	50.6
Total	**1,904.8**	**3,074.6**	**4,482.8**	**4,986.6**	**5,444.0**	**5,945.3**

Average annual growth rate: 19.1%

[R] Completed.

[1] A portion of the amounts set aside for eliminating the maintenance deficit – $75.0 million – has been allocated to specific improvement and replacement projects, in particular for the Montréal university hospital centres.

3. PUBLIC INVESTMENTS OF EXTRABUDGETARY AGENCIES

In 2011-2012, the forecast investments of extrabudgetary agencies total $640.4 million, up $43.7 million compared to 2010-2011:

- The investments of the Centre de services partagés du Québec (CSPQ) are $148.9 million, particularly for the development of the Réseau national intégré de radiocommunications (RENIR) and the ongoing implementation of Phases SGR2 and SGR3 of the Solution d'affaires en gestion intégrée des ressources (SAGIR) and the Réseau intégré de télécommunication multimédia (RITM), as well as for coordinating the existing networks of the CSPQ and Services Québec;

- SIQ investments are $132.1 million, including the Complexe scientifique in Québec City;

- The forecast level of investments of the Agence du revenu du Québec is $52.3 million in 2011-2012, in particular for mandatory billing in the restaurant sector (RESTO), overhaul of income taxes for individuals and companies, upgrading and integration of the Registre des entreprises du Québec, electronic delivery of services to the public and adjusting of systems for the solidarity tax credit;

- The investments of the Société de l'assurance automobile du Québec are $48.9 million, particularly for information technology work, including the development of electronic services for businesses with a fleet of vehicles;

- The investments of the Société des établissements de plein air du Québec (SÉPAQ) are $45.1 million, due to development and upgrade work in parks and wildlife reserves throughout Québec;

- The investments of the Régie de l'assurance maladie du Québec are $33.1 million, in particular for IT work including work related to the Québec Electronic Health Record project;

- The investments of the Régie des installations olympiques are $19.6 million in 2011-2012, an increase of $11.6 million over last year, and are due to maintenance of the Olympic facilities and repairs and replacement of equipment and structures;

- The investments of the Commission de la capitale nationale du Québec are $12.7 million, due mainly to the Cartier-Roberval archaeological worksite and various phases of the Promenade Samuel-De Champlain;

- The balance of the capital investment attributable to other agencies is $147.7 million, up $69.5 million.

Public investments of extrabudgetary agencies
(contribution by the Gouvernement du Québec, millions of dollars)

	2011-2012	2010-2011	Variation
Centre de services partagés du Québec	148.9	166.8	(17.9)
Société immobilière du Québec[1]	132.1	136.5	(4.4)
Agence du revenu du Québec	52.3	94.3	(42.0)
Société de l'assurance automobile du Québec	48.9	49.3	(0.4)
Société des établissements de plein air du Québec	45.1	21.8	23.3
Régie de l'assurance maladie du Québec	33.1	34.5	(1.4)
Régie des installations olympiques	19.6	8.0	11.6
Commission de la capitale nationale du Québec	12.7	7.3	5.4
Other agencies[2]	147.7	78.2	69.5
Total	**640.4**	**596.7**	**43.7**

[1] Not including the SIQ investments carried out on behalf of the Ministère de la Justice (courthouses) and the Ministère de la Sécurité publique (detention centres and SQ police stations), which are included in the QIP.

[2] Not including investments of the AMT, CHQ, and SHQ, cultural organizations and government agencies and those of the STQ which are included in the QIP.

4. PUBLIC INVESTMENTS BY SPECIAL FUNDS

The forecast investments of the special funds, not including the portion allocated to the FORT road network, total $446.4 million in 2011-2012, compared to $400.5 million in 2010-2011, an increase of $45.9 million:

- The investments of FORT, not including the portion allocated to the road network, are $237.7 million in 2011-2012 compared to $228.3 million in 2010-2011; this is an increase of $9.4 million which will be used especially to implement the network of wayside parks;
- Investments for the Land Information Fund of the Ministère des Ressources naturelles et de la Faune are $50.0 million in 2011-2012, compared to $46.9 million in 2010-2011; this is an increase of $3.1 million. The growth of investments is due to online service technology projects, on which work will progress significantly, and work on the cadastral reform;
- The Rolling Stock Management Fund of the Ministère des Transports is investing $35.1 million in 2011-2012 to acquire vehicles and related equipment to supply the fleets of its customers, mainly the MTQ;
- The forecast investment levels of the Information Technology Fund of the Ministère de l'Emploi et de la Solidarité sociale is $34.0 million in 2011-2012. This is an increase of $9.6 million over 2010-2011, due in particular to completion of projects to modernize the Department;
- The Police Services Fund of the Ministère de la Sécurité publique will invest $20.7 million in 2011-2012 compared to $11.8 million in 2010-2011. The $8.9 million increase is mainly due to renewal and acquisition of vehicles and implementation of the Système intégré de radiocommunications policières (SIRP) project;

- Investments of the Disaster Assistance Funds for Certain Areas are $18.1 million in 2011-2012 compared to $8.4 million in 2010-2011, an increase of $9.7 million. These investments are needed to complete the upgrades on works in the Lake Kénogami perimeter and the installation of a sill in the Rivière-aux-Sables;

- The investments of the other special funds total $50.8 million in 2011-2012 compared to $45.0 million in 2010-2011, an increase of $5.8 million.

Public investments by special funds
(contribution by the Gouvernement du Québec, millions of dollars)

	2011-2012	2010-2011	Variation
Land Transportation Network Fund[1]	237.7	228.3	9.4
Land Information Fund	50.0	46.9	3.1
Rolling Stock Management Fund	35.1	35.7	(0.6)
MESS Information Technology Fund	34.0	24.4	9.6
Police Services Fund	20.7	11.8	8.9
Disaster Assistance Fund for Certain Areas	18.1	8.4	9.7
Other special funds	50.8	45.0	5.8
Total	**446.4**	**400.5**	**45.9**

[1] Not including the investments of the portion allocated to the FORT road network, which are forecast in the QIP.

5. PUBLIC INVESTMENTS OF THE DEPARTMENTS AND BUDGET-FUNDED AGENCIES

The public investment forecasts of the departments and budget-funded agencies are $407.9 million in 2011-2012, compared to $375.2 million in 2010-2011, an increase of $32.7 million:

- Transports: the capital budget of $88.0 million, up $15.3 million from 2010-2011, will allow the Department to meet its needs in terms of water, air and land transportation. The increase is due to greater investments for air transportation infrastructures, including in Northern Québec. The increase is also due to additional investments in rail transportation;

- Sécurité publique: in 2011-2012, the capital investments are $44.8 million, of which $34.1 million is for the SQ. The SQ budget is devoted especially to projects related to computerized fingerprint and photograph identification systems, to the SIRP, and to renewing its fleet of cars. The balance of $10.7 million is allocated to the Department for implementation of SAGIR;

- Justice: the capital budget is $33.8 million in 2011-2012. The $9.1 drop from 2010-2011 can be attributed to the development of the project for an integrated justice information system;

- Ressources naturelles et Faune: the capital budget is $30.5 million in 2011-2012, up $9.0 million from 2010-2011. Investment projects focus on computerization, equipment purchases such as vehicles, and wildlife planning;

- Agriculture, Pêcheries et Alimentation: the capital budget is $30.0 million in 2011-2012, essentially for the ongoing construction of the Saint-Hyacinthe epidemiological surveillance and animal pathology laboratory;

- Conseil du trésor et Administration gouvernementale: the $27.4-million budget is essentially allocated to two groups of projects: $20.6 million goes to completing projects related to e-government; another budget of $6.5 million is earmarked for developing information resource projects as a result of incorporating the activities of the Information Technology Fund at the Secrétariat du Conseil du trésor;

- Famille et Aînés: the $26.6 million capital budget is almost exclusively allocated to carrying out the Department's computerization plan. These investments are part of the actions planned in order to upgrade and optimize the delivery of the Department's services;

- The capital investments of the other Departments are $126.8 million, up $19.9 million from the previous year.

Public investments by the Departments and budget-funded agencies
(contribution by the Gouvernement du Québec, millions of dollars)

	2011-2012	2010-2011	Variation
Transports	88.0	72.7	15.3
Sécurité publique	44.8	46.2	(1.4)
Justice	33.8	42.9	(9.1)
Ressources naturelles et Faune[1]	30.5	21.5	9.0
Agriculture, Pêcheries et Alimentation[2]	30.0	36.0	(6.0)
Conseil du trésor et Administration gouvernementale	27.4	22.4	5.0
Famille et Aînés	26.6	26.6	-
Other Departments[3]	126.8	106.9	19.9
Total	**407.9**	**375.2**	**32.7**

[1] Not including investments of the Ministère des Ressources naturelles et de la Faune for forest roads, which are forecast in the QIP.

[2] Not including the investments of the Ministère de l'Agriculture, des Pêcheries et de l'Alimentation in education and research, which are forecast in the QIP.

[3] Not including investments of the Ministère du Développement durable, de l'Environnement et des Parcs in public dams and those of the Ministère de la Culture, des Communications et de la Condition féminine for the new Montréal concert hall, which are included in the QIP.

APPENDIX 6.1

INVESTMENTS OF THE 2010-2015 QUÉBEC INFRASTRUCTURES PLAN

The Act to promote the Maintenance and Renewal of Public Infrastructures, adopted by the National Assembly in December 2007, stipulates, among other things, that the Chair of the Conseil du trésor submits annually to the National Assembly:

- The capital budget;
- The annual report detailing how the allocated amounts have been used.

Québec has been thorough in planning the maintenance and renewal of its public infrastructures since October 2007:

- The first Québec Infrastructures Plan (QIP) provided for investments of $37,724.1 million for 2007-2012;
- The second QIP provided for investments of $41,808.1 million for 2008-2013;
- The third QIP provided for investments of $42,639.4 million for 2009-2014.

The government is now presenting a new QIP for 2010-2015, with investments of $44,555.8 million.

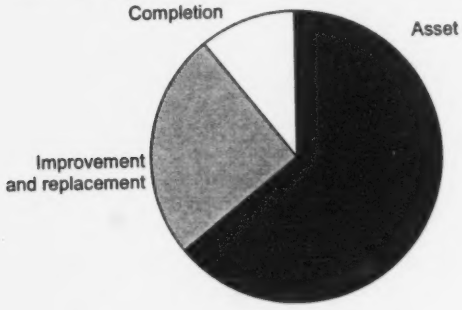
Priority to asset maintenance

The Act is intended to ensure that government investments in public infrastructures are made transparently and using the best management practices. It is also designed to provide for adequate sharing of the investments allocated to the maintenance of infrastructures and to those allocated to their development. The obligation to eliminate the cumulated maintenance deficit of previous years within 15 years is clearly stipulated.

In the 2010-2015 QIP, the priority given to maintenance of infrastructure is reiterated: over 70% of the investments are devoted to maintenance, not including completion. An investment envelope of $2,165.1 million for new initiatives will satisfy new needs, particularly in the areas of health, education and transportation.

APPENDIX 6.1 (cont'd)

Forecast QIP Investments by Type of Investment
(contribution by the Gouvernement du Québec, millions of dollars and percentage)



	$ million	%
Asset maintenance	28,611.3	64.2
Improvement and replacement	11,200.1	25.1
Completion	4,744.4	10.7
Total	**44,555.8**	**100.0**

Contribution of the partners

The federal government's contribution of $5,616.1 million is to be added to the Québec government contribution of $44,555.8 million, following the conclusion of agreements for the funding of infrastructure programs.

Other partners – primarily the municipalities – will invest $6,874.7 million under various programs that are accessible to them.

A total of $57,046.6 million will thus be injected into the economy for the renewal of public infrastructures from 2010 to 2015.

Contributions of Partners to the 2010-2015 QIP
(millions of dollars)

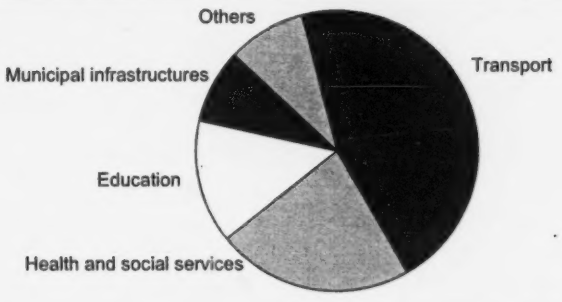
2010-2015 QIP (Québec contribution)	**44,555.8**
Federal government	5,616.1
Other partners	6,874.7
2010-2015 QIP (contributions of all partners)	**57,046.6**

APPENDIX 6.1 (cont'd)

Investments in all sectors

Investments of $44,555.8 million under the 2010-2015 QIP will provide for maintenance and improvement of public infrastructure in thirteen sectors.

Forecast QIP Investments by Sector
(contribution by the Gouvernement du Québec, millions of dollars and percentage)



	$ million	%
Transport[1]	20,396.0	45.8
Health and social services	10,074.4	22.6
Education	6,254.2	14.0
Municipal infrastructures	3,869.8	8.7
Others [2]	3,961.4	8.9
Total	**44,555.8**	**100.0**

[1] Including the road network ($16.9 billion), public transportation ($3.0 billion) and marine infrastructures ($0.6 billion).

[2] Including cultural equipments, social housing, research infrastructures, courthouses, public safety establishments, agricultural infrastructures, public dams and forest roads.

Road network

Investments of $16,860.9 million are forecast for the road network, of which $11,392.3 million will go for maintenance of assets. With these investments, the inadequacy of paved roads will be addressed and bridges and overpasses will be renovated. Money has been set aside for major projects, including the following:

- Construction of Autoroute 30, a bypass around the Island of Montréal;
- Remplacement of the Turcot interchange in Montréal;
- Redesign of Highway 185 between Autoroute 20 and the New Brunswick border;
- Extension of Autoroute 20 between Cacouna and Mont-Joli;
- Enlargement of Highway 175 to make it four lanes between Québec City and Saguenay;
- Construction of a direct link from the east of Montréal to the northern perimeter (Autoroute 25);
- Extension of Autoroute 50 between Doherty and Lachute;
- Enlargement and extension of Autoroute 73 between Sainte-Marie and Saint-Georges;
- Extension of Highway 167 toward the Otish Mountains and rebuilding of Highway 389 between Baie-Comeau and Fermont as part of the Northern Plan.

APPENDIX 6.1 (cont'd)

Public transportation

Investments of $2,953.1 million will be dedicated to public transportation. They are part of the orientations of the Public Transit Policy which aims at increasing ridership by 8% and supply of services by 16% by 2012. Major projects are being completed, including replacement of Montréal's metro cars, continuation of the Réno-Systèmes 2 program for maintaining the Montréal metro's fixed equipment, introduction of a rapid commuter train line between Mascouche and downtown Montréal, and the Rapibus project to install a rapid transit system with dedicated lanes in Gatineau.

Health and social services

Investments of $10,074.4 million are allocated to the health and social services network, of which $5,215.2 million will go to maintaining assets of the institutions, including furniture and equipment and eliminating maintenance deficits. Other forecast investments will also provide for:

- Construction of the CHUM (including its research centre), of the CUSM (Glen site and de la Montagne site), the Centre hospitalier universitaire Sainte-Justine, renovation of the CHUQ (Hôtel-Dieu de Québec) and enlargement of the Sir Mortimer B. Davis Jewish General Hospital;
- Renovation and redesign of emergency rooms and oncology radiation units.

Education

Investments of $6,254.2 million are forecast for the education and higher education networks, of which $5,521.0 million will go to maintaining assets and eliminating the cumulated maintenance deficit, renovating buildings and purchasing equipment.

Municipal infrastructures

Investments of $3,869.8 million are allocated to the municipal infrastructure sector, of which $2,809.4 million will go to helping the municipalities complete the upgrades of their treatment plants for drinking water and waste water. These investments will be used, among other things, to complete work on equipment in Baie-Comeau, Laval, Montréal, Shawinigan, Lévis and Thetford Mines.

Culture

Investments of $1,142.9 million will be devoted to major projects carried out in the culture sector, such as the construction of l'Adresse symphonique (new concert hall in Montréal) and the enlargement of the Musée national des beaux-arts du Québec.

Other investments

Other investments will be used for carrying out **research infrastructure projects**, construction of 30,000 **social housing units** to be delivered by 2014, rebuilding of **courthouses** and **public safety establishments**, maintenance and construction of **marine infrastructures**, the completion of infrastructures for the **agricultural sector**, **public dams** and **forest roads**.

APPENDIX 6.1 (cont'd)

Investments of the 2010-2015 Québec Infrastructures Plan by sector of intervention and type of investment

(contribution by the Gouvernement du Québec, millions of dollars)

Sectors	Asset maintenance			Improvement and replacement					
	Regular Budget	Elimination of the maintenance deficit over 15 years	Subtotal	Continuity	New initiatives	Subtotal	Subtotal	Completion	2010-2015 QIP
Road network	9,434.6	1,957.7	11,392.3	2,410.5	261.3	2,671.8	14,064.1	2,796.8	**16,860.9**
Public transportation	1,188.0	588.4	1,776.4	250.4	467.5	717.9	2,494.3	458.8	**2,953.1**
Marine Infrastructures	-	-	-	555,4	26,6	582,0	582,0	-	**582,0**
Health and social services	4,428.5	786.7[1]	5,215.2	3,771.9	569.0	4,340.9	9,556.1	518.3	**10,074.4**
Education	4,344.3	1,176.7	5,521.0	291.0	436.0	727.0	6,248.0	6.2	**6,254.2**
Culture	617.3	250.7	868.0	128.9	34.6	163.5	1,031.5	111.4	**1,142.9**
Municipal Infrastructures	785.2	2,024.2	2,809.4	245.4	150.0	395.4	3,204.8	665.0	**3,869.8**
Social housing	279.4	216.8	496.2	211.8	168.3	380.1	876.3	187.9	**1,064.2**
Research	-	-	-	517.2	-	517.2	517.2	-	**517.2**
Justice and Public Safety	340.1	-	340.1	630.8	51.8	682.6	1,022.7	-	**1,022.7**
Agriculture	37.8	-	37.8	12.7	-	12.7	50.5	-	**50.5**
Public dams	154.9	-	154.9	-	-	-	154.9	-	**154.9**
Forest roads	-	-	-	9.0	-	9.0	9.0	-	**9.0**
2010-2015 QIP	**21,610.1**	**7,001.2**	**28,611.3**	**9,035.0**	**2,165.1**	**11,200.1**	**39,811.4**	**4,744.4**	**44,555.8**

[1] A portion of the amounts set aside for eliminating the maintenance deficit – $500.7 million – has been allocated to specific improvement and replacement projects, in particular for the Montréal university hospital centres.

APPENDIX 6.1 (cont'd)

Investments of the 2010-2015 Québec Infrastructures Plan by sector of intervention and by year

(contribution by the Gouvernement du Québec, millions de dollars)

Sectors	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2010-2015 QIP
Road network [1]	3,416.5	3,457.2	3,414.1	3,249.8	3,323.3	16,860.9
Public transportation	534.5	984.8	623.7	413.6	396.5	2,953.1
Marine infrastructures	99.6	147.3	158.0	152.1	25.0	582.0
Health and social services	1,714.1	1,961.6	1,951.8	2,212.1	2,234.8	10,074.4
Education	1,367.3	1,405.9	1,222.2	1,130.7	1,128.1	6,254.2
Culture	439.4	185.5	186.1	161.8	170.1	1,142.9
Municipal infrastructures	831.3	710.8	774.9	756.8	796.0	3,869.8
Social housing	212.3	264.9	312.7	173.8	100.5	1,064.2
Research	106.1	80.8	168.7	80.8	80.8	517.2
Justice and Public safety	166.8	299.7	284.0	191.6	80.6	1,022.7
Agriculture	11.1	17.1	10.7	5.8	5.8	50.5
Public dams	26.9	38.2	29.1	27.2	33.5	154.9
Forest roads	9 0	-	-	-	-	9.0
2010-2015 QIP	8,934.9	9,553.8	9,136.0	8,556.1	8,375.0	44,555.8

[1] Including $147.5 million to augment the Northern Plan when the 2011-2012 Budget is tabled, broken down as follows: $60.9 million in 2011-2012, $74.1 million in 2012-2013 and $12.5 million in 2013-2014.

APPENDIX 6.1 (cont'd)

Investments of the 2010-2015 Québec Infrastructures Plan by type of investment and by year

(contribution by the Gouvernement du Québec, millions of dollars)

Type of investments	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2010-2015 QIP
Asset maintenance						
Regular budget	3,905.5	4,413.2	4,322.5	4,491.2	4,477.7	**21,610.1**
Elimination of the maintenance deficit over 15 years[1]	1,538.5	1,532.1	1,323.7	1,242.5	1,364.4	**7,001.2**
Subtotal: Asset maintenance	5,444.0	5,945.3	5,646.2	5,733.7	5,842.1	**28,611.3**
Improvement and replacement						
Continuity	1 514,6	1 793,5	1 903,4	1 865,2	1 958,3	**9 035,0**
New initiatives	261,1	570,7	719,2	411,6	202,5	**2 165,1**
Subtotal: Improvement and replacement	1,775.7	2,364.2	2,622.6	2,276.8	2,160.8	**11,200.1**
Completion	1,715.2	1,244.3	867.2	545.6	372.1	**4,744.4**
2010-2015 QIP	**8,934.9**	**9,553.8**	**9,136.0**	**8,556.1**	**8,375.0**	**44,555.8**

[1] A portion of the amounts set aside for eliminating the maintenance deficit at the Ministère de la Santé et des Services sociaux – $500.7 million – has been allocated to specific improvement and replacement projects, in particular for the Montréal university hospital centres.

APPENDIX 6.2

REPORT ON PUBLIC INFRASTRUCTURE INVESTMENTS ACHIEVED IN 2009-2010 FORECAST UNDER THE 2009-2014 QIP

The Act to promote the Maintenance and Renewal of Public Infrastructures, adopted by the National Assembly in December 2007, stipulates, among other things, that the Chair of the Conseil du trésor submits annually to the National Assembly:

- The capital budget;
- The annual report detailing how the allocated amounts have been used.

This Appendix presents the investments of the 2009-2014 Québec Infrastructures Plan that were achieved in 2009-2010.

An achievement rate of 87.5%

Investments of $7,811.0 million were made in 2009-2010 in all the sectors covered by the QIP, which represents 87.5% of the investments of $8,931.3 million forecast initially.

Road network and education, achievement rates of nearly 100%

- For the **road network**, 96.3% of the forecast investments were achieved, representing an amount of $2,968.8 million. Investments were made for asset maintenance, such as Phase 2 of the rebuilding of the Arthur Branchaud Bridge over Autoroute 20, the Milan boulevard bridge (Autoroute 10) in Brossard and the redesign of the intersection of Autoroutes 15 and 640 and Highway 117 at Boisbriand. In addition to the asset maintenance projects, several major improvement, replacement and completion projects were carried out, such as:
  - — Construction of a direct link from the east of Montréal to the northern perimeter (Autoroute 25);
  - — Extension of Autoroute 50 between Doherty and Lachute;
  - — Construction of Autoroute 30 to bypass Montréal;
  - — Construction of a four-lane highway between Québec and Saguenay, Highway 175 (Autoroute 73);
  - — Work on the Turcot interchange and the transformation of the Notre Dame Autoroute into an urban boulevard in Montréal.
- For **education**, 99.5% of the forecast investments were achieved, representing an amount of $1,269.4 million. They were made in the following three networks:
  - — $762.3 million to school boards, primarily for reconstructing heating systems, replacing lighting systems and enlarging schools and centres;
  - — $231.5 million to CÉGEPS for rebuilding of science laboratories and enlarging the premises;
  - — $275.6 million to universities to maintain the buildings inventory and to redesign and renovate some pavilions.

APPENDIX 6.2 (cont'd)

Health and social services, an achievement rate over 85%

- $1,565.8 million was invested in **health and social services,** or 86.1% of the forecast budget:

  — $1,029.9 million was invested in asset maintenance work such as changing electrical installation and generator networks at the Centre hospitalier de l'Université Laval, upgrading the emergency electrical system at the Chicoutimi health and social services centre, reconstructing the exterior masonry walls and shoring up the stone walls of the Pavillon Saint-Joseph, and replacing windows at the Hôtel-Dieu of Lévis;

  — Investments of $288.5 million for improvement and replacement led to the start of major projects such as the CHUM, the MUHC, redesign and enlargement of the emergency room at the Hull Pavillion in the Gatineau health and social services centre, and the enlargement and redesign of the emergency room and the highly specialized services of the Hôtel-Dieu of the Centre hospitalier de l'Université de Sherbrooke;

  — $247.4 million was invested in the carrying out of projects such as the construction of the Montérégie cancerology centre at Hôpital Charles-Lemoyne and the enlargement and redesign of the Saint Eustache Hospital in the Lake of Two Mountains health and social services centre.

Achievement rates above 60%

- Investments of $518.7 million were made for **public transportation**, an achievement rate of $61.8%:

  — Regarding asset maintenance and elimination of the maintenance deficit, $285.3 million was invested primarily in Phase 2 of the Réno-Système project for the Montréal metro, the redesign and enlargement of the centre de transport Legendre of the Société de transport de Montréal, and replacing buses;

  — Regarding improvement and replacement, $120.9 million was invested in commuter trains, especially in the Northeast corridor, the Laval metro (line 2) and the Québec City garage for articulated buses.

- Investments of $248.6 million, for an achievement rate of 65.3%, were made for **culture** in the following areas:

  — For government companies and agencies, investments were made primarily for maintaining the assets of the Bibliothèque et Archives nationales du Québec and for construction of l'Adresse symphonique (new concert hall in Montréal);

  — For cultural equipment, restoration projects for 71 protected buildings and 127 churches were achieved.

APPENDIX 6.2 (cont'd)

— Projects to enlarge the Montréal Museum of Fine Arts and promote the heritage value of Québec City, as well as projects under the Book and Reading Policy were also carried out.

- For the **justice and public safety** sector, the investments were $100.4 million, an achievement rate of 63.6%. Among the investments, renovations were made to courthouses, SQ police stations, and detention centres, particularly the A wing of Bordeaux prison. Other investments were used to construct a headquarter for the SQ in Mascouche, a police station in Sorel-Tracy and a detention centre in Percé.

Other sectors

- Investments of $370.2 million were made for **municipal infrastructures** and the achievement rate was 50.5%; this rate is partly due to the delays in implementing agreements where funding is shared between the Gouvernement du Québec and the federal government, but also by the fact that municipalities direct the work in this sector:

  — $289.2 million was invested in asset maintenance and elimination of the cumulated maintenance deficit. These projects mainly deal with the treatment of drinking water and waste water and refurbishing underground pipe networks. Among other things, many chlorination stations in Laval were either installed or repaired, water treatment plants in Trois-Rivières and Lévis were upgraded, several water treatment plants in Gatineau were upgraded, and sewer and aqueduct pipes were refurbished or replaced in various Montréal boroughs;

  — As part of local and regional development, investments were made in the following projects: construction of Montréal's Quartier des Spectacles, enlargement and renovation of McGill University's Percival Molson Stadium, construction of an indoor soccer complex in Chauveau Park in Québec City, rebuilding of the system to manufacture artificial snow at Mont Lac-Vert in Hébertville, and rebuilding of the chemin du Lac Goth and the Vieux chemin in Saint-Félix-D'Otis.

- In 2009-2010, $496.7 million was invested in **research**, which amounted to 138.0% of the forecast investments. These undertakings concern investments made by the Gouvernement du Québec under the Knowledge Infrastructure Program, an offshoot of Canada's Economic Action Plan which was set up to mitigate the impact of the economic crisis ($303.7 million), by joint funding of projects by Recherche-Québec – Canada Foundation for Innovation ($144.1 million) and by funding of projects under the research support program ($48.9 million). The surplus of $136.8 million is due to the fact that investments forecast in the 2009-2014 QIP were moved up for the Gouvernement du Québec participation in the Knowledge Infrastructure Program;

APPENDIX 6.2 (cont'd)

- In the **social housing** sector, 99.1% of forecast investments were made, for a total of $234.5 million. An amount of $105.3 million was allocated to maintaining low-rent housing in good condition (maintenance and repair of the buildings) and $129.2 million for delivery of new housing, under the AccèsLogis Québec and Affordable Housing programs;

- For **public dams**, investments of $19.8 million were made in 2009-2010, which is an achievement rate of 99.0%, in particular for upgrading the dams of Baie-Trinité and Moncouche in Saguenay;

- For the **agriculture** sector, investments of $7.5 million, representing an achievement rate of 55.6%, were made for the Institut de technologie agroalimentaire and surveying work for the lands of Grand-Rivière;

- Investments of $7.4 million were forecast for **marine infrastructures** in 2009-2010. $4.9 million was invested in projects to redesign the dock, terminal and station at Rivière-du-Loup, as well as in projects for energy efficiency, security and safety, for an achievement rate of 66.2%;

- $5.7 million was invested for **forest roads**; it was used to rebuild bridges and culverts in many Québec regions. The achievement rate for these projects is 95.0%.

APPENDIX 6.2 (cont'd)

Achievement of investments forecast in 2009-2010 for the 2009-2014 QIP by intervention sector and type of investment

(contribution by the Gouvernement du Québec, millions of dollars)

Sectors	Asset maintenance	Elimination of the maintenance deficit	Subtotal	Improvement and replacement	Subtotal	Completion	Total QIP	Achievement rate
Road network								
Budget forecast	1 639,0	264,1	1 903,1	247,7	2 150,8	931,8	**3 082,6**	
Total achieved	1,501.1	480.5	1,981.6	250.1	2,231.7	737.1	**2,968.8**	96.3%
Public transportation								
Budget forecast	384.6	135.6	520.2	113.6	633.8	205.4	**839.2**	
Total achieved	211.1	74.2	285.3	120.9	406.2	112.5	**518.7**	61.8%
Marine infrastructures								
Budget forecast	-	-	-	7.4	7.4	-	**7.4**	
Total achieved	-	-	-	4.9	4.9	-	**4.9**	66.2%
Health and social services								
Budget forecast	865.3	274.0	1,139.3	360.2	1,499.5	318.6	**1,818.1**	
Total achieved	827.9	202.0	1,029.9	288.5	1,318.4	247.4	**1,565.8**	86.1%
Education								
Budget forecast	858.5	228.9	1,087.4	161.8	1,249.2	27.0	**1,276.2**	
Total achieved	858.5	228.9	1,087.4	161.3	1,248.7	20.7	**1,269.4**	99.5%
Culture								
Budget forecast	177.8	65.7	243.5	58.3	301.8	78.9	**380.7**	
Total achieved	99.9	57.5	157.4	46.8	204.2	44.4	**248.6**	65.3%
Municipal infrastructures								
Budget forecast	202,3	306,8	509,1	40,0	549,1	184,0	**733,1**	
Total achieved[1]	54.1	235.1	289.2	2.6	291.8	78.4	**370.2**	50.5%
Social housing								
Budget forecast	51.0	43.7	94.7	-	94.7	142.0	**236.7**	
Total achieved	41.5	63.8	105.3	-	105.3	129.2	**234.5**	99.1%
Research								
Budget forecast	-	-	-	359.9	359.9	-	**359.9**	
Total achieved	-	-	-	496.7	496.7	-	**496.7**	138.0%
Justice and public safet								
Budget forecast	57.4	-	57.4	100.5	157.9	-	**157.9**	
Total achieved	29.2	-	29.2	71.2	100.4	-	**100.4**	63.6%
Agriculture								
Budget forecast	6.5	-	6.5	7.0	13.5	-	**13.5**	
Total achieved	1.5	-	1.5	6.0	7.5	-	**7.5**	55.6%
Public dams								
Budget forecast	20.0	-	20.0	-	20.0	-	**20.0**	
Total achieved	19.8	-	19.8	-	19.8	-	**19.8**	99.0%
Forest roads								
Budget forecast	-	-	-	6.0	6.0	-	**6.0**	
Total achieved	-	-	-	5.7	5.7	-	**5.7**	95.0%
Total								
Budget forecast	**4,262.4**	**1,318.8**	**5,581.2**	**1,452.4**	**7,043.6**	**1,887.7**	**8,931.3**	
Total achieved	**3,644.6**	**1,342.0**	**4,986.6**	**1,454.7**	**6,441.3**	**1,369.7**	**7,811.0**	**87.5%**

[1] Including the amounts for programs existing before the first QIP (2007-2012), the achievement rate for municipal infrastructure reached 55.5%.

APPENDIX 6.3

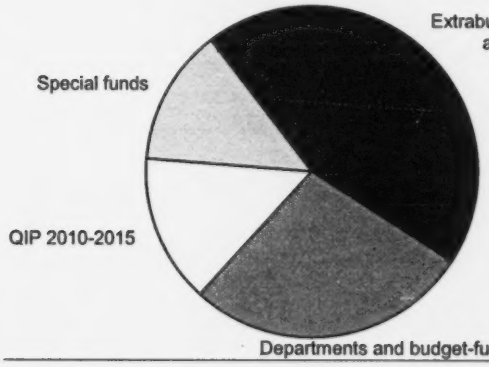
PUBLIC INVESTMENTS IN INFORMATION RESOURCES

Investments in information resources (IR) were forecast at $681.6 million in 2011-2012, which represents 6.2% of all public capital investments ($11,048.5 million). The breakdown by types of entity is as follows:

- Extra-budgetary agencies, $302.8 million;
- Departments and budgetary agencies, $189.0 million;
- The QIP, $98.6 million;
- Special Funds, $91.2 million.

These amounts primarily reflect the amounts allocated to developing IR projects.

Breakdown of Public Investments Forecast for Information Resources in 2011-2012
(contribution by the Gouvernement du Québec, millions of dollars and percentage)



	$ million	%
Extrabudgetary agencies	302.8	44.4
Departments and budget-funded agencies	189.0	27.7
QIP 2010-2015	98.6	14.5
Special funds	91.2	13.4
Total	**681.6**	**100.0**

CHAPTER 7
PUBLIC SECTOR STAFF LEVEL

As announced in the 2010-2014 Action Plan to Reduce and Control Expenditures, a new approach to controlling staff levels was started in 2010-2011:

- Departments and agencies overall payrolls have been frozen at the 2010-2011 levels, and this will continue through 2013-2014;
- The practice of only partially replacing retirements continues.

This new approach is adjusted to take the particular circumstances of each organization into account.

In 2010-2011, the public sector utilized staff level is 71,818 full-time equivalents (FTEs), a decrease of 9 FTEs compared to the 2009-2010 fiscal year.

1. AUTHORIZED STAFF LEVEL ENVELOPE AND UTILIZED STAFF LEVEL

The total staff level envelope or the total authorized staff level forecast represents the maximum staff level that a department, an agency or a special fund must observe, while the utilized staff level represents the actual full-time equivalent (FTE) consumption.

The staff level appearing in Volumes I and II of the Expenditure Budget corresponds to the total authorized staff level forecast.

Staff level definitions are presented in Appendix 7.1.

2. EVOLUTION OF UTILIZED STAFF LEVEL

Starting in 2010-2011, the government defined a new approach for controlling staff levels, based principally on freezing the overall payroll for the public sector at its current level through 2013-2014. Thus, the growth in overall payroll resulting from salary increases and advancements in pay grade should be offset by gains in efficiency and the partial replacement of retirements the application of which will continue. This new approach is adjusted to take the particular circumstances of each organization into account.

In 2010-2011, the utilized staff level of the public sector, as presented in Appendix 7.2, is 71,818 full-time equivalents (FTEs), a decrease of 9 FTEs compared to the 2009-2010 fiscal year.

This decrease is explained by the impact of the partial replacement of retirements and the freezing of the overall payroll, compensated by additional resources authorized in respect of government priorities. These additional resources are principally:

- 655 additional FTEs at the Ministère du Revenu, essentially for the fight against tax evasion included in the government's 2013-2014 Plan to Restore Fiscal Balance and for implementing the solidarity tax credit;
- 160 additional FTEs at the Régie de l'assurance maladie du Québec, mainly for new mandates, notably the Québec Electronic Health Record;
- 138 additional FTEs at the Ministère des Ressources naturelles et de la Faune, mainly due to the implementation of the new forest regime.

Starting in 2011-2012, the Ministère du Revenu will be replaced by the Agence du revenu du Québec, and its staff will not be governed by the Public Service Act (R.S.Q., c. F-3.1.1).

Since 2004-2005, the overall staff level has decreased by 4,142 FTEs, which represents a 5.5% staff-level reduction for the public sector.

3. VARIATION IN THE AUTHORIZED STAFF LEVEL ENVELOPE

For each fiscal year, the Conseil du trésor determines an authorized staff level envelope for each department and budget-funded agency, including special funds if applicable, as well as for extrabudgetary agencies and those performing fiduciary activities having personnel who are governed by the Public Service Act (PSA).

DEPARTMENTS AND AGENCIES APPEARING IN THE 2011-2012 EXPENDITURE BUDGET

In the 2011-2012 Expenditure Budget, the envelope forecast for the departments and agencies is 45,432 FTEs, down by 9,513 FTEs from the 2010-2011 Expenditure Budget. Most of this decrease – 9,045 FTEs – is due to the creation of the Agence du revenu du Québec to replace the Ministère du Revenu; its staff will not be governed by the Public Service Act. The rest of the decrease is mainly due to the impact of non-replacement of an average of one out of every two retirements during the 2010-2011 fiscal year and the addition of 138 FTEs to the Ministère des Ressources naturelles et de la Faune, principally for the implementation of the new forest regime.

EXTRABUDGETARY AGENCIES AND THOSE PERFORMING FIDUCIARY ACTIVITIES WITH PERSONNEL SUBJECT TO THE PUBLIC SERVICE ACT

Since the beginning of the 2010-2011 fiscal year, the total staff level envelope forecast for extrabudgetary agencies and those performing fiduciary activities having personnel subject to the Public Service Act, decreased from 15,718 to 15,686 FTEs.

This decrease of 32 FTEs is explained by a reduction of 243 FTEs resulting from non-replacement of an average of one out of every two retirements occurring during the 2010-2011 fiscal year and by net additions of 211 FTEs, particularly at the Régie de l'assurance maladie du Québec for new mandates, including the Québec Electronic Health Record.

Variation in the authorized staff level envelope[1]
(FTEs)

	Departments and Agencies Appearing in the Expenditure Budget[2]	Extrabudgetary Agencies Subject to the PSA[3]	Total
Total staff level envelope forecast in the 2010-2011 Expenditure Budget	54,945	15,718	70,663
Variations:			
Agence du revenu du Québec	(9,045)	-	(9,045)
Impact of 2010-2011 retirements and other changes	(468)	(32)	(500)
Total Staff Level Envelope Forecast in 2011-2012	**45,432**	**15,686**	**61,118**

[1] These figures are presented in accordance with the 2011-2012 budget structure, on a comparative basis.

[2] The breakdown by portfolio is presented in Appendix 7.5.

[3] The breakdown by agency is presented in Appendix 7.6.

APPENDIX 7.1

GLOSSARY

Utilized staff level:

Number of regular and casual employees, expressed in full-time equivalents (FTEs) actually remunerated.

Total staff level envelope or total authorized staff level:

Maximum number of permanent and casual employees, expressed in FTEs, who can be remunerated. The Conseil du trésor annually sets an authorized staff level envelope for each department, agency and, if applicable, special fund.

Full-time equivalent (FTE):

An FTE represents the ratio between the salary of an employee over the year and the salary of an employee who has worked full time throughout the year.

For example, the FTE of a person who occupies a full-time position and who worked throughout the year is equivalent to 1. The FTE of a person whose salary is reduced because he worked part-time, worked reduced hours or worked for part of the year only, varies between 0 and 1. Finally, the FTE of a person who was on unpaid leave of absence throughout the year is equal to 0.

APPENDIX 7.2

PUBLIC SECTOR UTILIZED STAFF LEVEL

The public sector staff level comprises the personnel working for government departments and agencies, including those performing fiduciary activities, subject to the Public Service Act.

For certain budget-funded agencies, it also includes personnel not subject to the Public Service Act, such as Sûreté du Québec police officers, judges, criminal and penal prosecuting attorneys, as well as personnel of the Commission des droits de la personne et des droits de la jeunesse, the Conseil des services essentiels and the Public Protector.

This staff level does not include students, interns and regular personnel on early retirement.

Breakdown of the Public Sector Utilized Staff Level in 2010-2011
(FTEs utilized)

	Staff Subject to the Public Service Act	Staff not Subject to the Public Service Act	Total
Departments and budget-funded agencies	48,671	6,889	**55,560**
Extrabudgetary agencies and those performing fiduciary activities	16,258	-	**16,258**
Total	**64,929**	**6,889**	**71,818**

APPENDIX 7.3

Evolution in the Staff Level of Departments and Agencies Appearing in the 2011-2012 Expenditure Budget[1]

(FTEs)

	Total Authorized Staff Level Forecast[2]		Total Utilized Staff Level Forecast[3]			
	Level	Variation	Level	Variation	Level including MRQ	Variation including MRQ
2000-2001	45,332	-	45,301	-	53,629	-
2001-2002[4]	46,463	1,131	46,773	1,472	55,326	1,697
2002-2003[4]	47,356	893	49,451	2,678	58,814	3,488
2003-2004[4]	48,361	1,005	50,338	887	59,746	932
2004-2005[4]	48,235	(126)	48,964	(1,374)	58,184	(1,562)
2005-2006	48,114	(121)	47,863[5]	(1,101)	57,166[5]	(1,018)
2006-2007	47,195	(919)	46,759	(1,104)	56,092	(1,074)
2007-2008	46,667	(528)	46,261	(498)	55,330	(762)
2008-2009	46,454	(213)	46,120	(141)	55,177	(153)
2009-2010	46,604	150	46,292	172	55,574	397
2010-2011	46,285[6]	(319)	46,143	(149)	55,560	(14)

[1] These figures are presented in accordance with the 2011-2012 budget structure, on a comparative basis. Unless indicated to the contrary, they do not include data from the Ministère du Revenu (MRQ).

[2] The total authorized staff level forecast does not take into account the addition of non-recurring staff levels authorized during the fiscal year. It also does not take students and interns into consideration.

[3] The data are adjusted to take into account amendments to the collective agreements, integration of employees of the Ville de Montréal into the Emploi-Québec network as well as that of municipal police officers into the Sûreté du Québec. They also take into consideration the exclusion of students, interns and regular personnel on early retirement.

[4] The difference between the total utilized staff level forecast and the total authorized staff level forecast is mainly due to management agreements between the Ministers responsible and the Conseil du trésor and the use of leeway granted for the management of staff levels.

[5] This staff level excludes the impact of the strike days that occurred during the 2005-2006 fiscal year.

[6] The total authorized staff level forecast reflects the 2010-2011 staff level appearing in Volumes I and II of the 2011-2012 Expenditure Budget.

APPENDIX 7.4

Evolution in the Staff Level for Extrabudgetary Agencies and Those Performing Fiduciary Activities with Personnel Subject to the Public Service Act[1]
(FTEs)

	Total Authorized Staff Level Forecast[2]		Total Utilized Staff Level Forecast[3]	
	Level	Variation	Level	Variation
2000-2001[4]	14,281	-	14,636	-
2001-2002[4]	14,416	135	14,981	345
2002-2003[4]	15,171	755	15,532	551
2003-2004[4]	15,730	559	16,214	682
2004-2005[4]	16,026	296	16,241	27
2005-2006[4]	16,029	3	16,028[5]	(213)
2006-2007[4]	16,005	(24)	16,024	(4)
2007-2008	16,190	185	16,092	68
2008-2009	16,171	(19)	16,226	134
2009-2010	16,015	(156)	16,253	27
2010-2011	16,031	16	16,258	5

[1] These figures are presented in accordance with the 2011-2012 budget structure, on a comparative basis.

[2] The total authorized staff level forecast does not take into account the addition of non-recurring staff authorized during the fiscal year. It also does not take students and interns into consideration.

[3] The data are adjusted to take into account amendments to the collective agreements and exclusion of students, interns and regular personnel on early retirement.

[4] The difference between the total utilized staff level forecast and the total authorized staff level forecast is mainly due to management agreements between the Ministers responsible and the Conseil du trésor, the use of leeway granted for the management of staff levels and the establishment of autonomous service units.

[5] This staff level excludes the impact of the strike days that occurred during the 2005-2006 fiscal year.

APPENDIX 7.5

Variation in the Authorized Staff Level Envelope for Departments and Agencies Appearing in the 2011-2012 Expenditure Budget[1]

(FTEs)

	2010-2011			2011-2012		
	2010-2011 Expenditure Budget	Variation	2010-2011 Comparative Staff Level[2]	Impact of Retirements 2010-2011	Other Variations	2011-2012 Expenditure Budget
National Assembly	607	(2)	605	-	-	**605**
Persons Appointed by the National Assembly	673	7	680	-	3	**683**
Affaires municipales, Régions et Occupation du territoire	694	35	729	(24)	10	**715**
Agriculture, Pêcheries et Alimentation	1,907	21	1,928	(55)	19	**1,892**
Conseil du trésor et Administration gouvernementale	689	32	721	(20)	12	**713**
Conseil exécutif	672	4	676	(17)	-	**659**
Culture, Communications et Condition féminine	734	1	735	(17)	17	**735**
Développement durable, Environnement et Parcs	1,783	(2)	1,781	-	-	**1,781**
Développement économique, Innovation et Exportation	826	-	826	(22)	-	**804**
Éducation, Loisir et Sport	1,332	2	1,334	(35)	(13)	**1,286**
Emploi et Solidarité sociale	6,021[3]	3	6,024	(111)	(165)	**5,748**
Famille et Aînés	1,003	15	1,018	(21)	14	**1,011**
Finances	715	1	716	(19)	-	**697**
Immigration et Communautés culturelles	1,066	(1)	1,065	(20)	-	**1,045**
Justice	3,848	22	3,870	(84)	(15)	**3,771**
Relations internationales	574	-	574	(14)	-	**560**
Ressources naturelles et Faune	3,807	138	3,945	(79)	(15)	**3,851**
Revenu	9,045	(9,045)	-	-	-	**-**
Santé et Services sociaux	879	5	884	(18)	(37)	**829**
Sécurité publique	11,835	101	11,936	(75)	(23)	**11,838**
Tourisme	298	(1)	297	(7)	-	**290**
Transports	5,703[3]	1	5,704	(16)	-	**5,688**
Travail	234	3	237	(6)	-	**231**
TOTAL	54,945	**(8,660)**	**46,285**	**(660)**	**(193)**	**45,432**

[1] The staff level includes the special funds.

[2] These figures are presented in accordance with the 2011-2012 budget structure, on a comparative basis.

[3] The data have been modified to reflect the transfer of the Promotion and Development of the Capitale-Nationale program.

APPENDIX 7.6

Variation in the Authorized Staff Level Envelope for Extrabudgetary Agencies and Those Performing Fiduciary Activities with Personnel Subject to the Public Service Act

(In FTEs)

	2010-2011 Fiscal Year[1]	Impact of Retirements 2010-2011	Other Variations	2011-2012 Fiscal Year
Affaires municipales, Régions et Occupation du territoire				
Société d'habitation du Québec	372	(10)	9	**371**
Agriculture, Pêcheries et Alimentation				
La Financière agricole du Québec	595	(13)	37	**619**
Conseil du trésor et Administration gouvernementale				
Centre de services partagés du Québec	1,962	(58)	(180)	**1,724**
Commission administrative des régimes de retraite et d'assurances (CARRA)[2,3]	606	-	14	**620**
Services Québec	690	(25)	(3)	**662**
Culture, Communications et Condition féminine				
Régie du cinéma	47	(2)	-	**45**
Éducation, Loisir et Sport				
Institut de tourisme et d'hôtellerie du Québec	218	(2)	40	**256**
Emploi et Solidarité sociale				
Conseil de gestion de l'assurance parentale[3]	16	-	-	**16**
Régie des rentes du Québec[3]	1,081	-	-	**1,081**
Finances				
Bureau de décision et de révision	15	-	-	**15**
Institut de la statistique du Québec	219	(4)	-	**215**
Justice				
Fonds d'aide aux recours collectifs	-	-	4	**4**
Office des professions du Québec	40	-	10	**50**
Tribunal administratif du Québec	250	(8)	33	**275**
Santé et Services sociaux				
Régie de l'assurance maladie du Québec	1,327	(22)	160	**1,465**
Transports				
Société de l'assurance automobile du Québec	3,037	(71)	(23)	**2,943**
Travail				
Commission de la santé et de la sécurité du travail (CSST)[2,3]	3,828	-	15	**3,843**
Commission des lésions professionnelles	406	(9)	42	**439**
Commission des normes du travail	484	(11)	2	**475**
Commission des relations du travail	131	(2)	(1)	**128**
Régie du bâtiment du Québec	394	(6)	52	**440**
TOTAL	15,718	(243)	211	**15,686**

[1] These figures are presented in accordance with the 2011-2012 budget structure, on a comparative basis.

[2] The total staff level envelope forecast for CARRA and the CSST in 2011-2012 reflects the total utilized staff level in 2010-2011.

[3] Agencies performing fiduciary activities.

IN BRIEF

CHAPTER 8

2011-2012 EXPENDITURE BUDGET BREAKDOWN BY MAJOR CATEGORY AND BENEFICIARY

Government budget expenditures for the 2011-2012 fiscal year amount to $69,078.0 million, broken down as follows:

- $61,284.0 million for program spending;
- $7,794.0 million for debt service.

Remuneration and operating expenditures account for over 70% of program spending:

- Remuneration expenditures, at $34,635.7 million, account for 56.5%;
- Operating expenditures account for $9,175.4 million or 15.0%.

1. EXPENDITURE BREAKDOWN OVERVIEW

For the 2011-2012 fiscal year, government budget expenditures amount to $69,078.0 million, of which $61,284.0 million or 88.7% is allocated to program spending and $7,794.0 million or 11.3% to debt service.

BREAKDOWN OF PROGRAM SPENDING BY CATEGORY

2011-2012 program spending by category breaks down as follows:

- $34,635.7 million or 56.5%, related to remuneration expenditures;
- $14,242.7 million or 23.2% for support expenditures for individuals, municipalities, businesses and other government partners;
- $9,025.5 million or 14,8% for operating expenditures and others;
- $2,198.0 million or 3.6% allocated to capital expenditures;
- $1,182.1 million or 1.9% for interest expenditures on the debt attributable to program spending.

2011-2012 Expenditure Budget by Supercategory and Category[1]
(millions of dollars)

	Categories						
	Remuneration	Operating, and Other[2]	Capital	Interest	Support	Total	
						$ million	%
Supercategories							
Remuneration	2,814.1	-	-	-	-	**2,814.1**	4.1
Operating	-	2,525.1	-	-	-	**2,525.1**	3.6
Transfer	31,559.9	6,514.0 (9,175.4)	2,167.5	1,170.9	13,126.2	**54,538.5**	79.0
Allocation to a Special Fund	261.7	136.3	30.5	11.2	1,116.5	**1,556.2**	2.2
Doubtful Accounts and Other Allowances	-	75.1	-	-	-	**75.1**	0.1
Anticipated Lapsed Appropriations	-	(225.0)	-	-	-	**(225.0)**	(0.3)
Program Spending	**34,635.7**	**9,025.5**	**2,198.0**	**1,182.1**	**14,242.7**	**61,284.0**	**88.7**
%	56.5	14.8	3.6	1.9	23.2	100.0	
Debt Service	-	-	-	7,794.0	-	**7,794.0**	11.3
Budget Expenditures	**34,635.7**	**9,025.5**	**2,198.0**	**8,976.1**	**14,242.7**	**69,078.0**	**100.0**
Comparative Expenditures in 2010-2011	33,451.4	9,407.5	1,862.4	8,183.9	13,847.8	66,753.0	

[1] The expenditure categories make it possible to present expenditures by type and relative importance. They are shown in Appendix 8.1. The breakdown of the expenditure budget by major category for each portfolio is shown in Appendix 8.2.

[2] Including Doubtful Accounts and Other Allowances, as well as Anticipated Lapsed Appropriations.

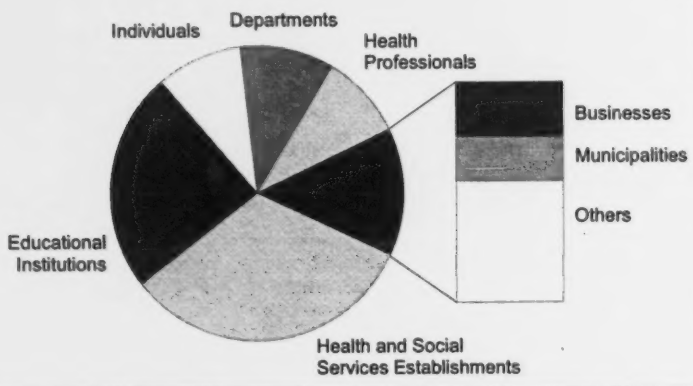
BREAKDOWN OF PROGRAM SPENDING BY BENEFICIARY

The main beneficiaries of program spending are health and social services establishments with $19,839.3 million and educational institutions with $14,955.8 million; they account for 56.8% of the total.

The rest of program spending, $26,488.9 million, is divided among the following beneficiaries:

- $6,352.5 million or 10.4% for individuals;
- $5,854.2 million or 9.5% for the departments;
- $5,799.6 million or 9.5% for health professionals;
- $8,482.6 million or 13.8% for spending allocated to various other beneficiaries such as businesses, municipalities, non-profit organizations and government corporations and agencies.

2011-2012 Program Spending by Beneficiary[1]



	$ million	%
Health and Social Services Establishments	19,839.3	32.4
Educational Institutions	14,955.8	24.4
Individuals	6,352.5	10.4
Departments	5,854.2	9.5
Health Professionals	5,799.6	9.5
Businesses	2,131.1	3.5
Municipalities	1,685.7	2.8
Others[2]	4,665.8	7.5
Total	**61,284.0**	**100.0**

[1] Appendix 8.3 presents the breakdown of expenditures by beneficiary for each portfolio.

[2] Including non-profit organizations and government corporations and agencies.

2. REMUNERATION EXPENDITURES

For the 2011-2012 fiscal year, remuneration expenditures are $34,635.7 million, broken down as follows:

- 40.0% for health and social services establishments;
- 32.9% for educational institutions;
- 16.7% for health professionals;
- 10.4% for departmental staff and other beneficiaries.

An overall increase of $1,184.3 million is forecast for remuneration expenditures, divided mainly among the following sectors:

- A $908.8-million increase is anticipated in the "Santé et Services sociaux" portfolio, of which $873.9 million is related to forecast increases in remuneration for staff in health and social services and for health professionals, as well as a variation in employer's contributions and retirement plan adjustments;
- In the "Éducation, Loisir et Sport" portfolio, a $270.1-million increase in remuneration expenditures is mainly due to the progression of staff salaries in the education networks, to the impact of the government offer within the context of the renewal of collective agreements, and to the maintenance of pay equity.

The remuneration expenditures of the departments and budget-funded agencies amount to $3,075.8 million, up $7.7 million over 2010-2011. On the whole, the departments and budget-funded agencies are complying with the payroll freeze.

2011-2012 Forecast Remuneration Expenditures by Beneficiary[1]
(millions of dollars)

	Salaries	Employer's Contributions			Total	
		Retirement Plans	Others	Subtotal	$ million	%
Santé et Services sociaux						
Department	58.1	-	5.5	5.5	**63.6**	0.2
Health and Social Service Establishments	11,758.0	754.2	1,350.4	2,104.6	**13,862.6**	40.0
Health Professionals	5,799.6	-	-	-	**5,799.6**	16.7
Other Beneficiaries	125.0	-	3.8	3.8	**128.8**	0.4
	17,740.7	754.2	1,359.7	2,113.9	**19,854.6**	57.3
Éducation, Loisir et Sport						
Department	92.9	-	9.0	9.0	**101.9**	0.3
Educational Institutions	9,336.6	1,012.6	1,027.3	2,039.9	**11,376.5**	32.9
Other Beneficiaries	11.9	-	1.3	1.3	**13.2**	-
	9,441.4	1,012.6	1,037.6	2,050.2	**11,491.6**	33.2
Others						
Departments	2,342.5	325.8	242.0	567.8	**2,910.3**	8.4
Other Beneficiaries	316.4	22.8	40.0	62.8	**379.2**	1.1
	2,658.9	348.6	282.0	630.6	**3,289.5**	9.5
Total	**29,841.0**	**2,115.4**	**2,679.3**	**4,794.7**	**34,635.7**	**100.0**
Comparative Expenditures in 2010-2011	28,674.9	2,235.5	2,541.0	4,776.5	33,451.4	

[1] Includes appropriations for the "Remuneration" supercategory, and the "Remuneration" category of the "Transfer" and "Allocation to a Special Fund" supercategories.

3. OPERATING EXPENDITURES

Operating expenditures amount to $9,175.4 million in 2011-2012 and break down as follows:

- 46.8% or $4,292.3 million for health and social services establishments, and 17.7% or $1,624.8 million for educational institutions;
- 29.0% or $2,661.5 million allocated to the departments, and 6.5% or $596.8 million to other beneficiaries.

In 2011-2012, operating expenditures increase by $125.4 million over 2010-2011. The increase mainly results from the following variations:

- In the health and social services sector, the increase of $101.0 million is mainly due to the growth of the cost of public services;

- At the Ministère de la Culture, des Communications et de la Condition féminine, an increase of $29.4 million essentially results from the needs related to the new Adresse symphonique concert hall;

- The balance of the variation is explained, particularly, by various rationalization measures forecast in the 2010-2014 Action Plan to Reduce and Control Expenditures.

The operating expenditures of the departments and budget-funded agencies amount to $2,661.5 million, down $0.5 million from 2010-2011.

2011-2012 Forecast Operating Expenditures by Beneficiary
(millions of dollars)

	Operating[1]	Transfer		Total	
		Networks	Others	$ million	%
Santé et Services sociaux					
Department	75.5	-	-	**75.5**	0.8
Health and Social Service Establishments	-	4,292.3	-	**4,292.3**	46.8
Other beneficiaries	-	-	341.5	**341.5**	3.7
	75.5	4,292.3	341.5	**4,709.3**	51.3
Éducation, Loisir et Sport					
Department	78.9	-	-	**78.9**	0.9
Educational Institutions	-	1,624.8	-	**1,624.8**	17.7
Other Beneficiaries	-	-	6.3	**6.3**	0.1
	78.9	1,624.8	6.3	**1,710.0**	18.7
Others					
Departments	2,507.1	-	-	**2,507.1**	27.3
Other Beneficiaries	-	-	249.0	**249.0**	2.7
	2,507.1	-	249.0	**2,756.1**	30.0
Total	**2,661.5**	**5,917.1**	**596.8**	**9,175.4**	**100.0**
Comparative Expenditures in 2010-2011	2,662.1	5,823.1	564.8	9,050.0	

[1] Including the expenditures of the "Operating" supercategory and the "Operating" category of the "Allocation to a Special Fund" supercategory.

4. CAPITAL EXPENDITURES

Forecast capital expenditures increase by $335.6 million, going from $1,862.4 million in 2010-2011 to $2,198.0 million in 2011-2012.

Capital expenditures are allocated to the three types of intervention used by government: repayment of principal, subsidies for fixed assets and capital expenditures of special funds.

EXPENDITURES FOR REPAYMENT OF PRINCIPAL

In 2011-2012, expenditures for repayment of principal on subsidized debt represent 91.7% of total capital expenditures.

These expenditures are $2,015.7 million in 2011-2012 compared to $1,673.3 million in 2010-2011, an increase of $342.4 million due mainly to:

- In the "Éducation, Loisir et Sport" portfolio, a $179.1-million increase reflecting the financing of authorized investments in the education networks and accounting for the needs resulting from harmonization of the fixed assets accounting method;
- In the "Santé et Services sociaux" portfolio, a $144.9-million increase due to the variation of investments in the health and social services network and this network's fixed assets accounting method;
- In the "Développement économique, Innovation et Exportation" portfolio, a $20.5-million increase attributable to investments in research infrastructures carried out primarily under the Knowledge Infrastructure Program.

SUBSIDIES FOR FIXED ASSETS

Subsidies for fixed assets account for 6.9% of total capital expenditures in 2011-2012.

They are $151.8 million in 2011-2012 compared to $158.5 million in 2010-2011, down $6.7 million. These subsidies are primarily intended for educational institutions, businesses and other beneficiaries.

This decrease is mainly due to a $6.4-million decrease in the "Transports" portfolio for the end of rail and marine intermodal programs.

SPECIAL FUND CAPITAL EXPENDITURES

Special fund capital expenditures make up 1.4% of all capital expenditures in 2011-2012. Through their special funds, the departments are the only beneficiaries of such expenditures.

These expenditures are $30.5 million in 2011-2012 and remain at a level practically unchanged from 2010-2011.

2011-2012 Forecast Capital Expenditures by Beneficiary[1]

(millions of dollars)

	Special Funds	Subsidized Fixed Assets		Total	
		Repayment of Principal	Subsidies for Fixed Assets	$ million	%
Santé et Services sociaux					
Health and Social Service Establishments	-	590.1	9.7	**599.8**	27.3
Other Beneficiaries	-	-	3.1	**3.1**	0.1
	-	590.1	12.8	**602.9**	27.4
Éducation, Loisir et Sport					
Educational Institutions	-	807.6	65.8	**873.4**	39.7
Other Beneficiaries	-	1.0	1.7	**2.7**	0.1
	-	808.6	67.5	**876.1**	39.8
Affaires municipales, Régions et Occupation du territoire					
Municipalities	-	241.9	-	**241.9**	11.0
Other Beneficiaries	-	153.4	33.3	**186.7**	8.5
		395.3	33.3	**428.6**	19.5
Others					
Departments	30.5	-	-	**30.5**	1.4
Businesses	-	2.2	22.9	**25.1**	1.2
Municipalities	-	49.4	2.4	**51.8**	2.4
Other Beneficiaries	-	170.1	12.9	**183.0**	8.3
	30.5	221.7	38.2	**290.4**	13.3
Total	**30.5**	**2,015.7**	**151.8**	**2,198.0**	**100.0**
%	1.4	91.7	6.9	100.0	
Comparative Expenditures in 2010-2011	30.6	1,673.3	158.5	1,862.4	

[1] Includes expenditures in the "Capital" category of the "Transfer" and "Allocation to a Special Fund" supercategories.

5. INTEREST EXPENDITURES

For the 2011-2012 fiscal year, interest expenditures by the government amount to $8,976.1 million compared to $8,183.9 million in 2010-2011.

INTEREST ON THE DEBT OF THE CONSOLIDATED REVENUE FUND

In 2011-2012, the expenditures allocated to debt service increase by $860.0 million over those of 2010-2011. The increase is mainly due to higher interest rates, the impact of the yield of the Caisse de dépôt et placement du Québec on the income of the Retirement Plans Sinking Fund (recorded as interest deductions in the retirement plans account) and the increase in the debt.

INTEREST ON THE DEBT ATTRIBUTABLE TO PROGRAM SPENDING

Interest on the debt attributable to program spending goes down by $67.8 million in 2011-2012 to $1,182.1 million. This variation is mainly explained by the $77.0-million decrease in the "Affaires municipales, Régions et Occupation du territoire" portfolio which is due notably to the withdrawal of the amounts that were required to pay the debt service of Société québécoise d'assainissement des eaux and the growth of the debt service of investments realized under the Québec Infrastructures Plan.

2011-2012 Forecast Interest Expenditures by Beneficiary

(millions of dollars)

	Subsidized Debt and Others[1]	Government Debt	Total	
			$ million	%
Santé et Services sociaux				
Health and Social Services Establishments	318.4	-	**318.4**	26.9
Other Beneficiaries	-	-	**-**	-
	318.4	-	**318.4**	26.9
Éducation, Loisir et Sport				
Educational Institutions	505.2	-	**505.2**	42.8
Other Beneficiaries	2.0	-	**2.0**	0.2
	507.2	-	**507.2**	43.0
Affaires municipales, Régions et Occupation du territoire				
Municipalities	125.5	-	**125.5**	10.6
Other Beneficiaries	102.1	-	**102.1**	8.6
	227.6	-	**227.6**	19.2
Others				
Municipalities	28.7	-	**28.7**	2.4
Other Beneficiaries	100.2	-	**100.2**	8.5
	128.9	-	**128.9**	10.9
Program Spending	1 ,182.1	-	**1,182.1**	**100.0**
Debt Service				
Direct Debt	-	5,007.0	**5,007.0**	
Retirement Plans Account	-	2,804.0	**2,804.0**	
Employee Future Benefits	-	(17.0)	**(17.0)**	
	-	7,794.0	**7,794.0**	
Total	**1,182.1**	**7,794.0**	**8,976.1**	
Comparative Expenditures in 2010-2011	1 ,249.9	6,934.0	8,183.9	

[1] Includes expenditures in the "Interest" category of the "Transfer" and "Allocation to a Special Fund" supercategories.

6. SUPPORT EXPENDITURES

Support expenditures encompass support and assistance programs intended mainly for individuals, non-profit organizations, businesses and municipalities. Nearly half, or about 45%, is paid to individuals.

Support expenditures amount to $14,242.7 million in 2011-2012, up $394.9 over 2010-2011, including the following:

- In the "Famille et Aînés" portfolio, an increase of $204.7 million is mainly due to the agreements with the operators of home day care services and to the financing of additional places required to reach the target of 220,000 places by 2011-2012;
- In the "Développement économique, Innovation et Exportation" portfolio, an increase of $105.2 million is mainly due to the continuation of the Québec Research and Innovation Strategy;
- In the "Éducation, Loisir et Sport" portfolio, a growth of $28.9 million, including $13.4 million to cover the needs related to the increase in clientele and the indexation of expenses accepted for student financial assistance, and $11.8 million to account for indexation of school transportation costs;
- In the "Ressources naturelles et Faune" portfolio, an increase of $27.8 million essentially attributable to the renewal of the measures of the 2010-2011 Budget Speech, particularly for the sylvicultural investment program;
- In the "Santé et Services sociaux" portfolio, an increase of $25.6 million due, in particular, to the increase in the interprovincial rates and volumes of activity regarding hospitalization insurance outside Québec and the growth of emergency pre-hospital services, offset by the decrease in prescription drug insurance costs;
- In the "Finances" portfolio, an increase of $21.8 million essentially due to the contribution of the Gouvernement du Québec to Société de financement des infrastructures locales du Québec, and new features to counter tax evasion and unreported work.

2011-2012 Forecast Support Expenditures by Beneficiary
(millions of dollars)

	Transfer	Allocation to a Special Fund	Total	
			$ million	%
Santé et Services sociaux				
Health and Social Service Establishments	707.4	-	**707.4**	5.0
Individuals	2,133.3	-	**2,133.3**	15.0
Other Beneficiaries	814.6	-	**814.6**	5.7
	3,655.3	-	**3,655.3**	25.7
Éducation, Loisir et Sport				
Educational Institutions	310.3	-	**310.3**	2.2
Individuals	520.9	-	**520.9**	3.7
Other Beneficiaries	119.0	-	**119.0**	0.8
	950.2	-	**950.2**	6.7
Emploi et Solidarité sociale				
Educational Institutions	-	91.9	**91.9**	0.6
Individuals	2,935.6	348.6	**3,284.2**	23.1
Other Beneficiaries	61.0	336.5	**397.5**	2.8
	2,996.6	777.0	**3,773.6**	26.5
Famille et Aînés				
Businesses	425.0	-	**425.0**	3.0
Individuals	0.1	-	**0.1**	-
Other Beneficiaries	1,799.6	-	**1,799.6**	12.6
	2,224.7	-	**2,224.7**	15.6
Others				
Businesses	974.5	261.0	**1,235.5**	8.7
Municipalities	1,187.5	24.7	**1,212.2**	8.5
Individuals	349.8	-	**349.8**	2.4
Other Beneficiaries	787.6	53.8	**841.4**	5.9
	3,299.4	339.5	**3,638.9**	25.5
Total	**13,126.2**	**1,116.5**	**14,242.7**	**100.0**
Comparative Expenditures in 2010-2011	12,743.6	1,104.2	13,847.8	

7. EXPENDITURES RELATED TO THE PROVISION FOR DOUBTFUL ACCOUNTS AND OTHER ALLOWANCES

Expenditures related to the provision for doubtful accounts and other allowances consist of the variations in the provision for doubtful accounts, the provision for losses on financial interventions guaranteed by the government, as well as the provision for losses on equity investments.

For the 2011-2012 fiscal year, these expenditures are down $282.4 million from $357.5 million in 2010-2011 to $75.1 million in 2011-2012:

- Expenditures attributable to the variation in the provision for doubtful accounts are down slightly by $0.7 million from 2010-2011 to $18.0 million in 2011-2012;
- Expenditures related to other provisions amount to $57.1 million in 2011-2012, decreasing by $281.7 million from 2010-2011. This decrease is essentially found in the "Développement économique, Innovation et Exportation" portfolio. It is mainly due to the end of the RENFORT program and the Support for the Forest Industry Program.

2011-2012 Expenditures Related to the Provision for Doubtful Accounts and Other Allowances
(millions of dollars)

	Doubtful Accounts	Other Provisions	Total
Développement économique, Innovation et Exportation	0.9	55.3	**56.2**
Éducation, Loisir et Sport	6.0	-	**6.0**
Other departments	11.1	1.8	**12.9**
Total	**18.0**	**57.1**	**75.1**
Comparative Expenditures in 2010-2011	18.7	338.8	357.5

APPENDIX 8.1

NATURE OF EXPENDITURE CATEGORIES PRESENTED IN THIS CHAPTER

Remuneration

Remuneration expenditures encompass the fees of health professionals and the salaries of employees of the health and social services network, the education networks and the public service, employer contributions to retirement plans, and employer contributions paid to the various established government plans and group insurance plans.

Operating

Operating and other expenditures include the support and administration expenditures of departments and agencies, including the Contingency Fund, those of the health and social services network and those of the education networks. Also included are expenditures related to depreciation of fixed assets, including those of information resources, of the departments and agencies.

Capital

Capital expenditures include subsidized fixed assets and allocations to special funds for the purposes of the commitments associated with their fixed assets. The government subsidizes the cost of the beneficiaries' fixed assets or repayment of the principal amount of loans contracted by its partners, as the case may be.

Expenditures for the repayment of principal cover the funding of the government's share with respect to the fixed assets subsidized by debt service. This type of intervention applies to capital expenditures by educational institutions, health and social services establishments, municipalities for public transportation and water treatment facilities, and cultural institutions for cultural facilities.

For these sectors, completed capital spending projects are financed by long-term borrowing. The repayment schedule may extend over a 25-year period in some cases. To cover its share, the government undertakes to repay all or part of the principal.

Interest

Interest expenditures include expenditures allocated to service subsidized debt, accounted for in program spending, and expenditures to pay interest on government debt.

Support

Support expenditures include several other subsidies intended to provide various forms of financial assistance to individuals, businesses, government and parapublic agencies, and other government partners.

APPENDIX 8.2

2011-2012 Expenditure Budget Breakdown by Major Category
(millions of dollars)

	Remuneration	Operating and Other[1]	Capital	Interest	Support	Total
National Assembly	85.4	30.6	-	-	0.1	116.1
Persons Appointed by the National Assembly	50.9	21.8	-	-	4.8	77.5
Affaires municipales, Régions et Occupation du territoire	70.5	31.9	428.6	227.6	1,004.3	1,762.9
Agriculture, Pêcheries et Alimentation	165.0	83.0	17.2	0.2	803.0	1,068.4
Conseil du trésor et Administration gouvernementale	413.6	584.7	-	1.7	4.4	1,004.4
Conseil exécutif	58.0	37.0	7.4	4.8	261.6	368.8
Culture, Communications et Condition féminine	172.6	126.9	98.4	47.4	232.6	677.9
Développement durable, Environnement et Parcs	91.4	62.6	18.1	10.7	21.2	204.0
Développement économique, Innovation et Exportation	74.1	100.5	50.4	11.3	653.8	890.1
Éducation, Loisir et Sport	11,491.6	1,716.0	876.1	507.2	950.2	15,541.1
Emploi et Solidarité sociale	302.2	161.8	17.3	1.0	3,773.6	4,255.9
Famille et Aînés	58.4	68.7	20.3	14.8	2,224.7	2,386.9
Finances	76.6	42.2	0.5	0.8	53.7	173.8
Immigration et Communautés culturelles	63.1	199.5	-	-	41.3	303.9
Justice	371.6	194.4	0.5	-	130.0	696.5
Relations internationales	51.5	35.8	-	-	24.4	111.7
Ressources naturelles et Faune	233.9	163.2	8.3	10.7	130.4	546.5
Santé et Services sociaux	19,854.6	4,709.3	602.9	318.4	3,655.3	29,140.5
Sécurité publique	733.3	359.9	5.9	0.1	63.7	1,162.9
Tourisme	41.3	35.1	13.9	16.6	31.7	138.6
Transports	155.0	475.1	32.2	8.8	177.5	848.6
Travail	21.1	10.5	-	-	0.4	32.0
Anticipated Lapsed Appropriations	-	(225.0)	-	-	-	(225.0)
Program Spending	**34,635.7**	**9,025.5**	**2,198.0**	**1,182.1**	**14,242.7**	**61,284.0**
Debt Service	-	-	-	7,794.0	-	7,794.0
Budget Expenditures	**34,635.7**	**9,025.5**	**2,198.0**	**8,976.1**	**14,242.7**	**69,078.0**

[1] Including Doubtful Accounts and Other Allowances, as well as Anticipated Lapsed Appropriations.

APPENDIX 8.3

2011-2012 Program Spending Breakdown by Beneficiary
(millions of dollars)

	Departments	Health and Social Services Establishments	Educational Institutions	Individuals[1]	Municipalities	Businesses	Other[2]	Total
National Assembly	116.0	-	-	-	-	-	0.1	116.1
Persons Appointed by the National Assembly	72.7	-	-	-	-	-	4.8	77.5
Affaires municipales, Régions et Occupation du territoire	73.8	0.5	18.7	182.3	1,106.2	22.0	359.4	1,762.9
Agriculture, Pêcheries et Alimentation	190.8	-	4.0	-	-	795.8	77.8	1,068.4
Conseil du trésor et Administration gouvernementale	975.3	1.8	23.7	-	-	-	3.6	1,004.4
Conseil exécutif	92.9	0.3	1.0	0.1	205.3	8.8	60.4	368.8
Culture, Communications et Condition féminine	107.8	-	1.8	13.4	62.6	46.5	445.8	677.9
Développement durable, Environnement et Parcs	154.0	-	2.1	-	11.9	-	36.0	204.0
Développement économique, Innovation et Exportation	146.5	50.6	118.4	58.5	14.0	271.6	230.5	890.1
Éducation, Loisir et Sport	186.7	2.6	14,690.2	520.9	-	-	140.7	15,541.1
Emploi et Solidarité sociale	474.8	-	91.9	3,284.2	20.8	103.7	280.5	4,255.9
Famille et Aînés	95.0	3.0	0.1	0.1	4.7	425.0	1,859.0	2,386.9
Finances	105.1	-	2.0	-	23.9	-	42.8	173.8
Immigration et Communautés culturelles	262.6	-	-	17.3	2.5	-	21.5	303.9
Justice	475.4	-	-	127.1	-	-	94.0	696.5
Relations internationales	85.3	-	0.9	1.2	-	-	24.3	111.7
Ressources naturelles et Faune	411.9	-	0.1	-	20.4	106.4	7.7	546.5
Santé et Services sociaux	139.1	19,780.5	-	7,932.9	-	321.7	966.3	29,140.5
Sécurité publique	1,092.6	-	-	1.4	61.1	-	7.8	1,162.9
Tourisme	27.5	-	-	-	-	11.2	99.9	138.6
Transports	543.3	-	0.9	12.7	152.3	18.4	121.0	848.6
Travail	25.1	-	-	-	-	-	6.9	32.0
Anticipated Lapsed Appropriations	-	-	-	-	-	-	(225.0)	(225.0)
Program Spending	**5,854.2**	**19,839.3**	**14,955.8**	**12,152.1**	**1,685.7**	**2,131.1**	**4,665.8**	**61,284.0**

[1] Including assistance to individuals and health professionals.

[2] Including non-profit organizations and government corporations and agencies.

APPENDIX

APPENDIX A
2011-2012 EXPENDITURE BUDGET BY MISSION

Government budget expenditures are broken down into six major government missions, namely: Health and Social Services, Education and Culture, Economy and Environment, Support for Individuals and Families, Administration and Justice, and Debt Service.

Three missions account for nearly three quarters of budget expenditures:

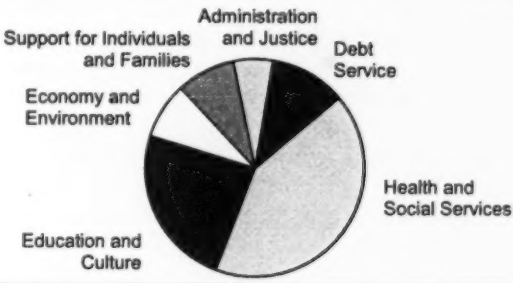
- The Health and Social Services mission is 42.0% of budget expenditures;
- The Education and Culture mission, representing 23.8% of budget expenditures;
- The Economy and Environment mission, which accounts for 8.3% of budget expenditures.

1. 2011-2012 EXPENDITURE BUDGET BY MISSION

The programs appearing in the 2011-2012 Expenditure Budget are broken down into six missio corresponding to the main functions of the government.

2011-2012 Expenditure Budget – Breakdown by Mission[1]

	%
Health and Social Services	42.0
Education and Culture	23.8
Debt Service	11.3
Economy and Environment	8.3
Support for Individuals and Families	8.7
Administration and Justice	5.9
Total	**100.0**



[1] Excluding anticiped lapsed appropriations.

2011-2012 Expenditures by Portfolio and Mission

(millions of dollars)

Portfolios	Missions						
	Health and Social Services	Education and Culture	Economy and Environment	Support for Individuals and Families	Administration and Justice	Debt Service	Total
National Assembly	-	-	-	-	116.1	-	**116.1**
Persons Appointed by the National Assembly	-	-	-	-	77.5	-	**77.5**
Affaires municipales, Régions et Occupation du territoire	-	-	1,080.8	-	682.1	-	**1,762.9**
Agriculture, Pêcheries et Alimentation	-	-	1,068.4	-	-	-	**1,068.4**
Conseil du trésor et Administration gouvernementale	-	-	-	-	1,004.4	-	**1,004.4**
Conseil exécutif	-	-	-	-	368.8	-	**368.8**
Culture, Communications et Condition féminine	-	670.2	-	7.6	-	-	**677.9**
Développement durable, Environnement et Parcs	-	-	204.1	-	-	-	**204.1**
Développement économique, Innovation et Exportation	-	-	890.1	-	-	-	**890.1**
Éducation, Loisir et Sport	-	15,541.1	-	-	-	-	**15,541.1**
Emploi et Solidarité sociale	-	-	870.4	3,385.5	-	-	**4,255.9**
Famille et Aînés	-	-	-	2,386.9	-	-	**2,386.9**
Finances	-	-	-	-	173.8	7,794.0	**7,967.8**
Immigration et Communautés culturelles	-	303.1	-	-	0.8	-	**303.9**
Justice	-	-	-	233.4	463.1	-	**696.5**
Relations internationales	-	-	111.7	-	-	-	**111.7**
Ressources naturelles et Faune	-	-	546.5	-	-	-	**546.5**
Santé et Services sociaux	29,140.5	-	-	-	-	-	**29,140.5**
Sécurité publique	-	-	-	-	1,162.9	-	**1,162.9**
Tourisme	-	-	138.6	-	-	-	**138.6**
Transports	-	-	848.6	-	-	-	**848.6**
Travail	-	-	-	-	32.0	-	**32.0**
Anticipated Lapsed Appropriations	-	-	-	-	-	-	**(225.0)***
Total Missions	**29,140.5**	**16,514.4**	**5,759.2**	**6,013.4**	**4,081.6**	**7,794.0**	**69,078.0**

* Anticipated lapsed appropriations are not broken down by mission since they will be allocated among the missions during the course of the year.

Note: Figures are rounded and the sum of the amounts recorded in respect of each portfolio may not correspond to the total.

Mission Health and Social Services, Expenditures by Portfolio and Program

(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Santé et Services sociaux					
Québec-wide Operations	**543.9**	485.5	497.4	492.5	374.1
Regional Operations	**20,903.1**	19,983.5	20,148.1	19,813.7	18,631.2
Office des personnes handicapées du Québec	**13.1**	13.2	13.1	12.7	12.6
Régie de l'assurance maladie du Québec	**7,680.4**	7,456.9	7,456.9	7,147.3	6,603.2
Total of this Mission	**29,140.5**	27,939.2	28,115.6	27,466.3	25,621.1

Notes: Figures are rounded and the sum of the amounts recorded for each program may not correspond to the total.
Data for the 2010-2011 expenditure budget correspond to 2010-2011 comparative expenditures presented in Volume II of the 2011-2012 Expenditure Budget.
Program spending by mission is presented in accordance with the 2011-2012 budget structure.

Mission Education and Culture, Expenditures by Portfolio and Program
(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Culture, Communications et Condition féminine					
Charter of the French Language	**27.5**	27.9	26.8	25.7	26.2
Internal Management, Centre de conservation du Québec and Commission des biens culturels du Québec	**78.1**	46.5	46.2	47.5	47.4
Support for Culture, Communications and Government Corporations	**564.6**	579.5	576.7	579.3	568.4
Éducation, Loisir et Sport					
Administration and Consulting	**157.1**	161.0	155.8	147.5	137.2
Financial Assistance for Education	**547.5**	531.9	505.6	534.4	405.6
Development of Recreation and Sports	**63.7**	63.7	63.5	64.9	66.1
Preschool, Primary and Secondary Education	**8,786.5**	8,450.7	8,606.7	8,388.3	8,103.1
Higher Education	**4,949.3**	4,756.6	4,804.5	4,648.3	4,750.0
Tourism and Hotel Industry Training	**24.2**	23.7	23.7	25.1	23.2
Retirement Plans	**1,012.6**	1,053.3	1,053.3	844.5	835.8
Immigration et Communautés culturelles					
Immigration, Integration and Cultural Communities	**303.1**	304.1	175.5	166.4	157.3
Total of this Mission	**16,514.4**	15,999.1	16,038.2	15,472.1	15,120.2

Notes: Figures are rounded and the sum of the amounts recorded for each program may not correspond to the total.
Data for the 2010-2011 expenditure budget correspond to 2010-2011 comparative expenditures presented in Volume II of the 2011-2012 Expenditure Budget.
Program spending by mission is presented in accordance with the 2011-2012 budget structure.

Mission Economy and Environment, Expenditures by Portfolio and Program

(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Affaires municipales, Régions et Occupation du territoire					
Regional Development and Rurality	**114.8**	124.8	124.2	124.5	102.3
Housing	**454.4**	473.0	466.5	440.7	411.0
Municipal Infrastructure Modernization	**381.2**	473.9	469.2	457.0	544.6
Greater Montréal Promotion and Development	**130.4**	132.1	132.0	124.3	90.4
Agriculture, Pêcheries et Alimentation					
Bio-food Company Development, Training and Food Quality	**425.6**	425.3	418.9	401.4	387.2
Government Agencies	**642.8**	642.9	642.9	698.4	318.5
Développement durable, Environnement et Parcs					
Bureau d'audiences publiques sur l'environnement	**5.4**	5.5	5.4	5.0	5.1
Environmental Protection and Parks Management	**198.7**	198.4	205.1	213.2	210.0
Développement économique, Innovation et Exportation					
Economic Development Fund Interventions	**201.1**	493.3	324.2	313.6	426.5
Research and Innovation Agencies	**200.5**	171.4	192.9	200.7	185.8
Financial and Technical Support for Economic Development, Research, Innovation and Exports	**488.5**	379.7	399.0	386.8	360.1
Emploi et Solidarité sociale					
Employment Assistance Measures	**870.4**	875.7	883.0	893.2	889.4

Mission Economy and Environment, Expenditures by Portfolio and Program (cont'd.)
(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Relations internationales					
International Affairs	**111.7**	113.9	110.6	124.6	128.4
Ressources naturelles et Faune					
Management of Natural Resources	**481.6**	461.0	555.5	607.2	519.2
Protection and Development of Wildlife Resources	**64.9**	67.7	67.7	81.2	73.7
Tourisme					
Promotion and Development of Tourism	**138.6**	146.1	138.4	144.6	136.8
Transports - excluding FORT					
Administration and Corporate Services	**98.0**	101.4	101.3	115.1	105.7
Infrastructures and Transportation Systems	**688.2**	674.6	681.0	622.3	597.6
Promotion and Development of the Capitale-Nationale	**62.4**	62.6	62.5	62.0	74.5
Total of this Mission	**5,759.2**	6,023.2	5,980.3	6,015.8	5,566.7

Notes: Figures are rounded and the sum of the amounts recorded for each program may not correspond to the total.
Data for the 2010-2011 expenditure budget correspond to 2010-2011 comparative expenditures presented in Volume II of the 2011-2012 Expenditure Budget.
Program spending by mission is presented in accordance with the 2011-2012 budget structure.

Mission Support for Individuals and Families, Expenditures by Portfolio and Program

(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Culture, Communications et Condition féminine					
Status of Women	**7.6**	12.2	11.8	12.1	11.9
Emploi et Solidarité sociale					
Administration	**460.2**	461.7	471.5	469.8	457.6
Financial Assistance Measures	**2,925.3**	2,929.2	2,967.2	2,942.2	2,828.9
Famille et Aînés					
Condition of Seniors	**24.2**	24.1	20.7	16.4	14.3
Public Curator	**43.7**	42.5	42.6	50.3	49.5
Assistance Measures for Families	**2,273.4**	2,066.1	2,138.4	1,971.0	1,872.7
Planning, Research and Administration	**45.6**	49.3	48.0	28.3	24.0
Justice					
Assistance to Persons Brought before the Courts	**233.4**	229.6	237.5	231.3	231.3
Total of this Mission	**6,013.4**	5,814.8	5,937.8	5,721.3	5,490.2

Notes: Figures are rounded and the sum of the amounts recorded for each program may not correspond to the total.
Data for the 2010-2011 expenditure budget correspond to 2010-2011 comparative expenditures presented in Volume II of the 2011-2012 Expenditure Budget.
Program spending by mission is presented in accordance with the 2011-2012 budget structure.

Mission Administration and Justice, Expenditures by Portfolio and Program

(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
National Assembly					
Associate General Secretariat, informational and institutional affairs and security	**48.1**	47.3	47.3	44.6	39.8
General Secretariat and parliamentary affairs	**11.4**	11.3	11.3	9.8	13.3
Statutory Services for Parliamentarians	**56.7**	57.7	57.7	59.6	61.8
Persons Appointed by the National Assembly					
Administration of the Electoral System	**32.5**	27.8	27.8	28.1	95.2
The Ethics Commissioner	**1.1**	0.1	0.1	-	-
The Lobbyists Commissioner	**3.0**	3.0	3.0	2.9	2.6
The Public Protector	**14.4**	13.8	14.6	15.2	12.6
The Auditor General	**26.5**	25.6	25.0	23.9	23.5
Affaires municipales, Régions et Occupation du territoire					
General Administration	**54.8**	55.6	55.1	53.9	54.6
Commission municipale du Québec	**2.4**	2.3	2.2	1.9	2.0
Compensation in lieu of Taxes and Financial Assistance to Municipalities	**608.9**	593.2	595.3	594.6	588.4
Régie du logement	**16.0**	16.6	16.5	18.9	19.1
Conseil du trésor et Administration gouvernementale					
Commission de la fonction publique	**3.6**	3.5	3.5	3.4	3.2
Contingency Fund	**324.9**	337.0	-	-	-
Retirement and Insurance Plans	**346.6**	370.8	370.8	334.4	334.9
Secrétariat du Conseil du trésor	**329.3**	324.8	380.6	265.2	254.3

Mission Administration and Justice, Expenditures by Portfolio and Program (cont'd.)
(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Conseil exécutif					
Aboriginal Affairs	**227.9**	212.5	212.3	199.7	185.2
Canadian Intergovernmental Affairs	**14.3**	14.7	14.0	12.1	15.3
Lieutenant-Governor's Office	**0.7**	0.7	0.7	0.8	0.8
Youth	**53.5**	52.6	47.3	39.0	36.3
Reform of Democratic Institutions and Access to Information	**7.2**	7.4	7.2	6.3	5.9
Support Services for the Premier and the Conseil exécutif	**65.1**	70.6	52.2	52.4	52.1
Finances					
Department Administration	**57.6**	43.9	43.2	213.1	174.7
Budget and Taxation Policies, Economic Analysis and Administration of Government Financial and Accounting Activities	**116.3**	104.6	58.6	69.1	45.9
Immigration et Communautés culturelles					
Agency Reporting to the Minister	**0.8**	0.9	0.8	0.8	0.8
Justice					
Judicial Activity	**98.1**	95.8	98.7	98.2	99.3
Administration of Justice	**267.6**	263.9	276.0	275.9	271.1
Administrative Justice	**11.9**	11.9	11.9	11.8	11.6
Protection Agency Reporting to the Minister	**8.2**	8.2	8.2	8.4	7.8
Criminal and Penal Prosecutions	**77.3**	76.3	81.3	76.3	74.4
Sécurité publique					
Agencies Reporting to the Minister	**28.9**	29.0	31.4	31.9	31.8
Security, Prevention and Internal Management	**556.0**	553.5	562.8	549.2	521.4
Sûreté du Québec	**578.0**	572.1	586.1	575.6	565.9

Mission Administration and Justice, Expenditures by Portfolio and Program (cont'd.)
(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Travail					
Labour	**32.0**	33.7	43.7	36.8	38.6
Total of this Mission	**4,081.6**	4,042.8	3,747.1	3,713.9	3,644.1

Notes: Figures are rounded and the sum of the amounts recorded for each program may not correspond to the total.
Data for the 2010-2011 expenditure budget correspond to 2010-2011 comparative expenditures presented in Volume II of the 2011-2012 Expenditure Budget.
Program spending by mission is presented in accordance with the 2011-2012 budget structure.

Mission Debt Service, Expenditures by Portfolio and Program

(millions of dollars)

Portfolios and Programs	Expenditure Budget 2011-2012	Expenditure Budget 2010-2011	Probable Expenditure 2010-2011	Expenditures 2009-2010	Expenditures 2008-2009
Finances					
Debt Service	**7,794.0**	6,934.0	6,934.0	6,117.3	6,503.8
Total of this Mission	**7,794.0**	6,934.0	6,934.0	6,117.3	6,503.8
Anticipated Lapsed Appropriations	**(225.0)**	-	-	-	-
Mission Total	**69,078.0**	**66,753.0**	**66,753.0**	**64,506.7**	**61,946.0**

Notes: Figures are rounded and the sum of the amounts recorded for each program may not correspond to the total.

Data for the 2010-2011 expenditure budget correspond to 2010-2011 comparative expenditures presented in Volume II of the 2011-2012 Expenditure Budget.

Program spending by mission is presented in accordance with the 2011-2012 budget structure.

APPENDIX B
ECONOMIC AND BUDGETARY INDICATORS

This appendix presents the evolution of principal economic and budgetary indicators in Québec since the 1997-1998 fiscal year over a period of 15 years. It is composed of the following three tables:

- Evolution of program spending, debt service as well as budget expenditures;
- Change in certain specific indicators for Québec;
- Expenditures by portfolio.

B.1

Evolution of Program Spending, Debt Service and Budget Expenditures

	Program spending		Debt service		Budget expenditures[1]	
	$ million	% variation	$ million	% variation	**$ million**	**% variation**
1997-1998	34,690	0.3	6,765	15.5	**41,455**	2.5
1998-1999	37,052	1.7[2]	6,573	(2.8)	**43,625**	5.2
1999-2000	37,850	2.2	6,752	2.7	**44,602**	2.2
2000-2001	40,165	6.1	6,972	3.3	**47,137**	5.7
2001-2002	41,888	4.3	6,687	(4.1)	**48,575**	3.1
2002-2003	43,865	4.7	6,583	(1.6)	**50,448**	3.9
2003-2004	45,339	3.4	6,655	1.1	**51,994**	3.1
2004-2005	47,656	5.1	6,853	3.0	**54,509**	4.8
2005-2006	49,229	3.3	6,875	0.3	**56,104**	2.9
2006-2007	51,734	5.1	7,039	2.4	**58,773**	4.8
2007-2008	54,826	6.0	7,021	(0.3)	**61,847**	5.2
2008-2009	58,550	6.8	6,504	(7.4)	**65,054**	5.2
2009-2010	61,579	5.2	6,117	(5.9)	**67,696**	2.9
2010-2011[F]	61,326	2.4[3]	6,934	13.4	**68,260**	3.5[3]
2011-2012[F]	61,284	2.4[4]	7,794	12.4	**69,078**	3.5[4]

[1] Budget expenditures exclude consolidated entities.

[2] Rate corrected to exclude, on the one hand, the impact of the Canada-Québec Labour Market Agreement, which came into force in 1998-1999, for an amount of $595.6 million, and, on the other hand, the impact of extraordinary expenditures effected in 1998-1999 to implement the financial restructuring and consolidation plan for health and social services establishments, for an amount of $1,007.0 million, and to improve the financial position of the universities, for an amount of $170.0 million. The growth rate, taking these expenditures into account, would have been 6.8%.

[3] Rate corrected to exclude expenditures of the Land Transportation Network Fund in 2009-2010, in the amount of $1,715.0 million.

[4] Rate corrected to exclude expenditures of Revenu in 2010-2011, in the amount of $1,507.0 million.

[F] Forecast

B.2

Evolution in Certain Specific Indicators for Québec

	Population[1]	GDP Growth rate[2]	Inflation rate in Canada[3]	Program Spending		
					per capita	
	in thousands	%	%	% of GDP	$	% variation
1997-1998	7,275	4.4	1.7	18.4	4,769	(0.1)
1998-1999	7,296	4.2	1.0	18.0[4]	5,078	6.5
1999-2000	7,323	7.4	1.8	18.0	5,168	1.8
2000-2001	7,357	6.7	2.7	17.9	5,459	5.6
2001-2002	7,396	3.0	2.5	18.1	5,663	3.7
2002-2003	7,441	4.2	2.2	18.2	5,895	4.1
2003-2004	7,486	3.9	2.8	18.1	6,057	2.7
2004-2005	7,536	4.8	1.8	18.1	6,324	4.4
2005-2006	7,582	3.5	2.2	18.1	6,493	2.7
2006-2007	7,632	3.8	2.0	18.3	6,779	4.4
2007-2008	7,687	4.8	2.2	18.4	7,132	5.2
2008-2009	7,551	2.3	2.3	19.4	7,554	5.9
2009-2010	7,828	0.3	0.3	20.3	7,866	4.1
2010-2011[F]	7,907	4.4	1.8	19.3	7,756	(1.4)
2011-2012[F]	7,980	3.9	2.4	18.6	7,680	(1.0)

Sources: Secrétariat du Conseil du trésor for program spending data, Statistics Canada and Ministère des Finances for economic data.

[1] Population as of July 1 of the fiscal year considered.

[2] The GDP is calculated on a nominal basis, taking the annual average for the calendar year ending three months before the end of the fiscal year considered.

[3] For the calendar year ending three months before the end of the fiscal year considered.

[4] Rate corrected to exclude, on the one hand, the impact of the Canada-Québec Labour Market Agreement, which came into force in 1998-1999, for an amount of $595.6 million, and, on the other hand, the impact of extraordinary expenditures effected in 1998-1999 to implement the financial restructuring and consolidation plan for health and social services establishments, for an amount of $1,007.0 million, and to improve the financial position of the universities, for an amount of $170.0 million. With these amounts included, the rate would have been 18.9%.

[F] Forecast

B.3

Expenditures by Portfolio

(millions of dollars)

	Expenditure Budget	Probable Expenditure	Actual Expenditures		
	2011-2012	2010-2011	2009-2010	2008-2009	2007-2008
National Assembly	116	116	114	115	114
Persons Appointed by the National Assembly	77	70	70	134	70
Affaires municipales, Régions et Occupation du territoire	1,763	1,861	1,816	1,812	1,821
Agriculture, Pêcheries et Alimentation	1,068	1,062	1,100	706	724
Conseil du trésor et Administration gouvernementale*	1,004	755	603	592	552
Conseil exécutif*	369	334	310	295	285
Culture, Communications et Condition féminine*	678	661	665	654	633
Développement durable, Environnement et Parcs	204	210	218	215	202
Développement économique, Innovation et Exportation	890	916	901	972	706
Éducation, Loisir et Sport	15,541	15,213	14,653	14,321	13,399
Emploi et Solidarité sociale*	4,256	4,322	4,305	4,176	4,108
Famille et Aînés*	2,387	2,250	2,066	1,960	1,836
Finances*	174	102	282	221	89
Immigration et Communautés culturelles*	304	176	167	158	132
Justice	695	714	702	696	680
Relations internationales*	112	111	125	128	115
Ressources naturelles et Faune	547	623	688	593	641
Santé et Services sociaux	29,141	28,116	27,466	25,621	24,054
Sécurité publique	1,163	1,180	1,157	1,119	1,054
Tourisme	139	138	145	137	145
Transports - excluding FORT	849	845	799	778	681
Travail	32	44	37	39	39
Anticipated Lapsed Appropriations	(225)	-	-	-	-
Program Spending on a Comparable Basis	**61,284**	**59,819**	**58,389**	**55,442**	**52,080**
Debt Service	7,794	6,934	6,117	6,504	7,021
Budget Expenditures on a Comparable Basis	**69,078**	**66,753**	**64,506**	**61,946**	**59,101**
Program Spending on a Comparable Basis	**61,284**	**59,819**	**58,389**	**55,442**	**52,080**
Revenu	-	1,507	1,475	1,377	1,218
Transports - FORT	-	-	1,715	1,731	1,528
Program Spending	**61,284**	**61,326**	**61,579**	**58,550**	**54,826**
Debt Service	7,794	6,934	6,117	6,504	7,021
Budget Expenditures	**69,078**	**68,260**	**67,696**	**65,054**	**61,847**

* The 2011-2012 expenditure budget of this portfolio contains one or several provisions that allow for the transfer of appropriations to other portfolios, and expenditures of previous fiscal years are reduced due to these transfers.

Actual Expenditures									
2006-2007	2005-2006	2004-2005	2003-2004	2002-2003	2001-2002	2000-2001	1999-2000	1998-1999	1997-1998
107	99	96	97	94	91	82	77	77	69
131	58	58	93	66	52	43	42	94	37
1,859	1,752	1,622	1,537	1,560	1,585	1,357	1,111	1,008	1,178
694	658	661	661	640	650	713	512	530	498
747	565	539	450	541	491	460	400	438	622
233	232	241	195	167	121	104	217	78	74
600	543	533	520	498	486	536	489	517	415
190	195	207	222	208	207	212	236	177	183
519	689	543	534	890	857	907	772	746	558
12,638	12,280	11,874	11,568	11,161	10,609	10,181	9,875	9,615	9,486
4,084	4,037	4,109	4,197	4,190	4,085	4,100	4,060	4,147	3,765
1,718	1,604	1,515	1,457	1,282	1,137	913	700	575	477
83	84	91	85	97	91	90	67	61	128
125	116	120	127	129	125	102	100	102	93
725	651	630	595	563	529	487	477	504	472
102	102	102	111	110	111	103	98	87	77
464	401	365	419	435	435	455	549	463	372
22,452	21,163	20,582	19,026	17,872	17,147	16,057	14,788	14,562	12,892
986	942	941	933	868	797	741	698	701	662
143	159	144	146	143	108	147	148	105	85
656	604	571	559	528	577	526	578	782	827
37	62	75	66	69	86	78	80	71	67
-	-	-	-	-	-	-	-	-	-
49,293	**46,996**	**45,619**	**43,598**	**42,111**	**40,377**	**38,394**	**36,074**	**35,440**	**33,037**
7,039	6,875	6,853	6,655	6,583	6,687	6,972	6,752	6,573	6,765
56,332	**53,871**	**52,472**	**50,253**	**48,694**	**47,064**	**45,366**	**42,826**	**42,013**	**39,802**
49,293	**46,996**	**45,619**	**43,598**	**42,111**	**40,377**	**38,394**	**36,074**	**35,440**	**33,037**
1,093	1,025	935	750	812	642	743	743	866	1,104
1,348	1,208	1,102	991	942	869	1,028	1,033	746	549
51,734	**49,229**	**47,656**	**45,339**	**43,865**	**41,888**	**40,165**	**37,850**	**37,052**	**34,690**
7,039	6,875	6,853	6,655	6,583	6,687	6,972	6,752	6,573	6,765
58,773	**56,104**	**54,509**	**51,994**	**50,448**	**48,575**	**47,137**	**44,602**	**43,625**	**41,455**

Conseil du trésor
Québec